

**FACTORS INFLUENCING PARTICIPATION IN COMMUNITY BASED
MICRO-FINANCE: A CASE OF VILLAGE BANKING IN KAUNDA SQUARE,
LUSAKA.**

BY

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A dissertation submitted to the University of Zambia in partial fulfilment of the requirements for the award of a master's degree in Business Administration (MBA).

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LUSAKA

2024

DECLARATION

I, Ernest Msanide Phiri, hereby declare that this dissertation titled, “factors influencing participation in community based micro-finance: a case of village banking in kaunda square, lusaka” is my work and that all sources that I have used or quoted have been indicated and acknowledged by means of complete references. It also has not been submitted to this or any other University in part or full award of any degree or any other purpose.

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APPROVAL

This dissertation of Ernest Msanide Phiri is approved as a partial fulfillment of the requirements for the award of the Degree of Master of Business Administration (Management Strategy), of the University of Zambia.

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ABSTRACT

Community-based micro-finance initiatives, notably Village Banking, are vital for financial inclusion and economic empowerment in marginalized communities globally. This study delves into the factors impacting participation in Village Banking in Kaunda Square, Lusaka, Zambia. Its main aim is to explore the factors influencing participation in Community-Based Micro-Finance, focusing on Village Banking. Objectives include assessing perceived benefits, evaluating institutional facilitators or barriers, and analyzing socio-economic characteristics of participating households.

Employing a mixed-method approach, this study adopted an interpretivist research philosophy. Purposive sampling was used, involving government officials, direct practitioners, and current participants. A total of 45 participants were involved in the study, including two government officials, two direct practitioners, and 41 current participants in Village Banking programs. Data were collected through structured questionnaires, in-depth interviews, and focus group discussions. Key informants included government officials (n=2) and direct practitioners (n=2), selected based on their expertise and involvement in microfinance policies and practices. The study revealed that Village Banking participants in Kaunda Square were predominantly female, reflecting broader trends in microfinance. Participants perceived enhanced financial situations through the program, although challenges such as over-indebtedness persisted. Institutional factors such as accessibility and satisfaction with governance structures influenced participation. Socio-economic characteristics, including education and employment status, also played significant roles in decision-making. The findings underscored the importance of tailored outreach efforts, financial literacy programs, and collaboration with local authorities to enhance participation. Recommendations included gender-specific support, diversification of financial products, and targeted capacity-building initiatives to address socio-economic challenges. Community-based micro-finance initiatives like Village Banking held promise for economic empowerment in Kaunda Square, Lusaka.

Key words: Village Banking, Participation, Factors, Empowerment and Kaunda square

DEDICATION

This dissertation is dedicated wholeheartedly to my family, who have been my source of inspiration and provided me with strength when I felt like giving up. To my wife, Majory, and our son, Johnson, who have always been there to provide moral, spiritual, emotional, and financial support throughout my studies.

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Finally, I extend special thanks to my friends and classmates for their significant encouragement, which kept me motivated despite numerous challenges and pressures. This achievement is as much yours as it is mine; let us celebrate together.

List of acronyms

- **CBMF:** Community-Based Micro-Finance
- **VSLA:** Village Savings and Loan Association
- **FSDP:** Financial Sector Development Plan
- **SMEs:** Small and Medium Enterprises
- **NGO:** Non-Governmental Organization
- **CBFIs:** Community-Based Financial Institutions
- **VBA:** Village Banking Approach
- **BoZ:** Bank of Zambia
- **GDP:** Gross Domestic Product
- **CBFIs:** Community-Based Financial Institutions
- **VSLAs:** Village Savings and Loan Associations
- **MFIs:** Microfinance Institutions
- **SPSS:** Statistical Package for the Social Sciences
- **NGO:** Non-Governmental Organization
- **SHG:** Self-Help Group
- **IRB:** institutional review board
- **Nyanja:** A local language spoken in Zambia
- **Bemba:** Another local language spoken in Zambia
- **CHAZ:** Churches Association of Zambia
- **RUFEP:** Rural Finance Expansion Programme
- **ZANACO:** Zambia National Commercial Banking

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CHAPTER ONE: INTRODUCTION

1.0 Overview

This chapter highlights the background of the study, statement of problem, purpose of the study, general and specific objectives, research questions, theoretical framework, significance and scope of the study and concludes by defining operational term.

1.1 Background

Community-based micro-finance initiatives have played a crucial role in promoting financial inclusion and poverty alleviation in Zambia. These programs are often facilitated by non-governmental organizations (NGOs), community groups, and microfinance institutions (MFIs) with a focus on providing financial services to individuals and communities who have limited or no access to formal financial services such as cheaper loan services.

Community-based micro-finance initiatives have gained significant traction in Zambia as a means to enhance financial inclusion and alleviate poverty among marginalized populations. These initiatives, often exemplified by models like Village Banking, play a crucial role in providing accessible financial services to individuals who have limited or no access to formal banking systems. In Zambia, where a substantial portion of the population resides in rural areas and faces financial exclusion, community-based micro-finance programs have emerged as a promising avenue for economic empowerment. Zambia has made notable progress in enhancing financial inclusion. According to the World Bank's Global Index Database (2017), the percentage of adults with an account at a financial institution or through a mobile money service increased from 22% in 2011 to 42% in 2017. This growth is partially attributed to the expansion of community-based micro-finance initiatives.

According to a study by Mungandi and Simumba (2018), the Zambian government recognized the importance of micro-finance in fostering economic growth and poverty reduction. In response to this, regulatory frameworks were established to promote and govern micro-finance operations within the country. Community-based micro-finance institutions, such as Village Banking groups, became key players in extending financial services to the grassroots level, capitalizing on the social dynamics and close-knit relationships within local communities.

In Zambia, the demand for micro-finance services is substantial due to limited access to formal financial institutions in rural areas. The Zambia Financial Inclusion Survey (ZAMFIS) of 2015 indicated that only a small proportion of the population had access to formal banking services, leaving a significant gap in financial access that community-based micro-finance initiatives aim to bridge (Bank of Zambia, 2010). According to recent data from the Bank of Zambia (BoZ), a substantial portion of the Zambian population lacks access to formal banking services. The Financial Inclusion Insights survey conducted in 2020 revealed that only around 37% of Zambian adults held a bank account, leaving the majority of the population without a reliable means to save, access credit, or manage financial risks. This gap in financial access is particularly pronounced in rural and now in urban areas like Kaunda Square in Lusaka. However, despite the potential benefits, participation in these programs is influenced by a range of factors.

History of community-based micro-finance in Zambia

In Zambia, community-based micro-finance gained prominence in the late 1990s and early 2000s, driven by a growing recognition of the need to provide financial services to the unbanked and under banked population, particularly those in rural areas. This period saw the establishment of various micro-finance institutions (MFIs) and community-based organizations (CBOs) that aimed to address the financial needs of low-income individuals and small-scale entrepreneurs.

Many community-based micro-finance initiatives in Zambia were initially spearheaded by non-governmental organizations (NGOs) with a mission to alleviate poverty and promote sustainable development. NGOs like Vision Fund Zambia and PRIDE Zambia played a crucial role in extending micro-loans and financial literacy training to marginalized communities. In 2006, the Bank of Zambia (BoZ) introduced a regulatory framework for micro-finance institutions, bringing them under formal oversight. This step was taken to ensure the stability and soundness of the micro-finance sector while protecting the interests of clients.

History of Village Banking in Zambia

Village Banking, also known as Savings and Credit Groups, has a notable history in Zambia, particularly in addressing financial inclusion and supporting local entrepreneurship. Given that the 1990s, economic reforms that Zambia underwent aimed to promote sustainable economic growth and reduce poverty. As a part of these efforts, microfinance and community-based financial systems gained prominence (Mukumbwa, 2011). Village banking groups emerged as a response to the lack of access to formal financial institutions, especially in rural and underserved areas. These groups were created to provide financial services to individuals who were excluded from traditional banking (Kambewa & Haantuba, 2015). The groups typically consist of members from the same community who come together to pool their savings and provide loans to members. These loans are often used for income-generating activities, small businesses, and household needs (Chibuluma, 2017).

In rural areas where formal financial services remain distant, Village Banking groups thrived. As of 2020, approximately 65% of Zambia's population resided in rural locales. According to a study by the Zambian Ministry of Finance, over the last two decades, the penetration of formal banking services in rural areas had been limited, with only about 27% of the rural population having access to formal financial institutions. In contrast, Village Banking groups have experienced remarkable growth, catering to the financial needs of a significant portion of the rural population. According to the same study, Village Banking groups have reached around 45% of the rural population, demonstrating their effectiveness in bridging the financial gap. A survey conducted by the Zambia Institute for Sustainable Development revealed that, on average, members of Village Banking groups have witnessed a 20% increase in their annual income after joining these groups (World Bank, 2020).

Brief background of the study location (Kaunda square)

Kaunda Square, located in Lusaka, Zambia, holds historical significance as a residential area named after Zambia's first president, Kenneth Kaunda. The area has experienced urbanization and development over the years, transitioning from its early days as a modest settlement to its current status as a vibrant community within the capital city (Zambia daily mail, 2019).

Originally established as part of Lusaka's urban expansion, Kaunda Square has witnessed demographic changes and infrastructural developments that have shaped its socio-economic landscape. Over time, the area has likely evolved from a primarily residential space into a dynamic locality with a mix of residential, commercial, and community-oriented spaces (Ibid, 2019).

In the context of this study, the historical development of Kaunda Square is relevant to understanding the socio-economic context within which community-based micro-finance initiatives, such as Village Banking, operate. The changes in infrastructure, population dynamics, and economic activities could have implications for individuals' financial needs, aspirations, and participation in micro-finance programs. This historical backdrop serves as a foundation for investigating the factors influencing participation in community-based micro-finance within the unique context of Kaunda Square, Lusaka.

These statistics underscore the substantial impact of Village Banking in Zambia, reflecting its essential role in enhancing financial inclusion, fostering local economic development, and promoting entrepreneurial initiatives. As Zambia continues to evolve economically, Village Banking remains a beacon of financial empowerment for underserved communities. Therefore the essence of this study is to identify as well as help inform policy on the Factors Influencing Participation in Community-Based Micro-Finance in the context of Village Banking in Kaunda Square, Lusaka.

1.2 Statement of the problem

In the context of Zambia, specifically in urban areas like Kaunda Square, Lusaka, community-based micro-finance initiatives, such as Village Banking seem to play a crucial role in fostering financial inclusion. Despite the purported benefits associated with Village Banking, such as income augmentation and poverty reduction, there remains a significant gap in substantiating these claims and understanding the complex interplay of socio-economic, beneficial and institutional factors that influence individuals' decisions to either engage or abstain from participating in these community-based micro-finance endeavors (Mwewa & Ndilila, 2018).

While the Financial Sector Development Plan indicates an overall enhancement in financial access across the country, it is imperative to delve deeper into the specific determinants that influence participation, particularly within the unique socio-economic context of Kaunda Square. The absence of detailed insights into how various variables influence participation dynamics within Village Banking programs in this specific locale impedes the formulation of targeted policies and strategies for sustainable financial inclusion (Bank of Zambia, 2020).

Therefore this research aims to address this gap by systematically examining the factors influencing participation in community-based micro-finance, specifically in the Village Banking setup, within the distinctive context of Kaunda Square, Lusaka. Through this investigation, the study seeks to provide actionable insights that can inform the development of tailored interventions, facilitating more effective and inclusive community-based micro-finance initiatives. Consequently, this research contributes to the broader objective of poverty reduction and financial empowerment in the region.

1.3 Objectives of the Research

1.3.1 Main Objective

The main aim of this study is to investigate the Factors Influencing Participation in Community-Based Micro-Finance particularly, Village Banking in Kaunda Square, Lusaka.

1.3.2 Specific objectives

1. To assess the perceived benefits associated with participating in Village Banking micro-finance among residents of Kaunda Square, Lusaka.
2. To evaluate the institutional factors that may facilitate or hinder participation in Village Banking micro-finance in Kaunda Square.
3. To analyze the socio-economic characteristics of households participating in Village Banking micro-finance in Kaunda Square, Lusaka.

1.4 Research questions

1. What are the perceived benefits associated with participation in Village Banking micro-finance among individuals in Kaunda Square, Lusaka?
2. What are the institutional factors that either facilitate or hinder participation in Village Banking micro-finance within the specific context of Kaunda Square, Lusaka?
3. What are the socio-economic characteristics of households participating in Village Banking micro-finance in Kaunda Square, Lusaka?

1.5 SIGNIFICANCE OF THE STUDY

The significance of conducting a study on the factors influencing participation in community based micro-finance within the context of Village Banking in Kaunda Square, Lusaka, Zambia includes:

1. **Enhancing Financial Inclusion:** Understanding the factors affecting participation in micro-finance initiatives can provide insights to enhance the effectiveness of Village Banking programs, leading to improved financial inclusion for marginalized communities in Kaunda Square. By identifying barriers and tailoring interventions, policymakers and practitioners can create strategies that resonate with local needs, thereby boosting financial access.
2. **Informed Policy Formulation:** The research findings can inform the development of policies that promote community-based micro-finance in Kaunda Square and beyond. Policymakers can use the insights to design supportive regulatory frameworks, incentives, and funding mechanisms to enable sustainable micro-finance initiatives.
3. **Strategic Program Design:** Practitioners and micro-finance institutions can benefit from a deeper understanding of factors influencing participation. This knowledge can guide the design of Village Banking programs that align with the preferences and needs of the target community, resulting in higher engagement, better loan repayment rates, and improved program sustainability.
4. **Local Empowerment:** Empowering the community with knowledge about factors affecting their engagement in micro-finance programs can lead to informed decision-

making. This empowerment can contribute to improved financial literacy, better participation, and overall community development.

1.6 scope of the study

Kaunda Square emerged as the ideal area of study for several compelling reasons. Firstly, its time-bound relevance was noteworthy. As a dynamic community within Lusaka, Kaunda Square provided a contemporary lens through which to examine the factors influencing participation in community-based microfinance. Secondly, its linguistic diversity set it apart as a language-friendly locale where a researcher could engage with residents in Nyanja, English, and Bemba, facilitating effective communication and data collection. Moreover, the area offered the advantage of cost-effectiveness, making research resources more accessible and affordable. Lastly, its proximity to the researcher enhanced logistical efficiency, allowing for easier access to participants and resources. Altogether, Kaunda Square stood as an ideal location for a comprehensive study on microfinance participation, combining relevance, accessibility, linguistic diversity, and cost-effectiveness.

1.7 operational definitions

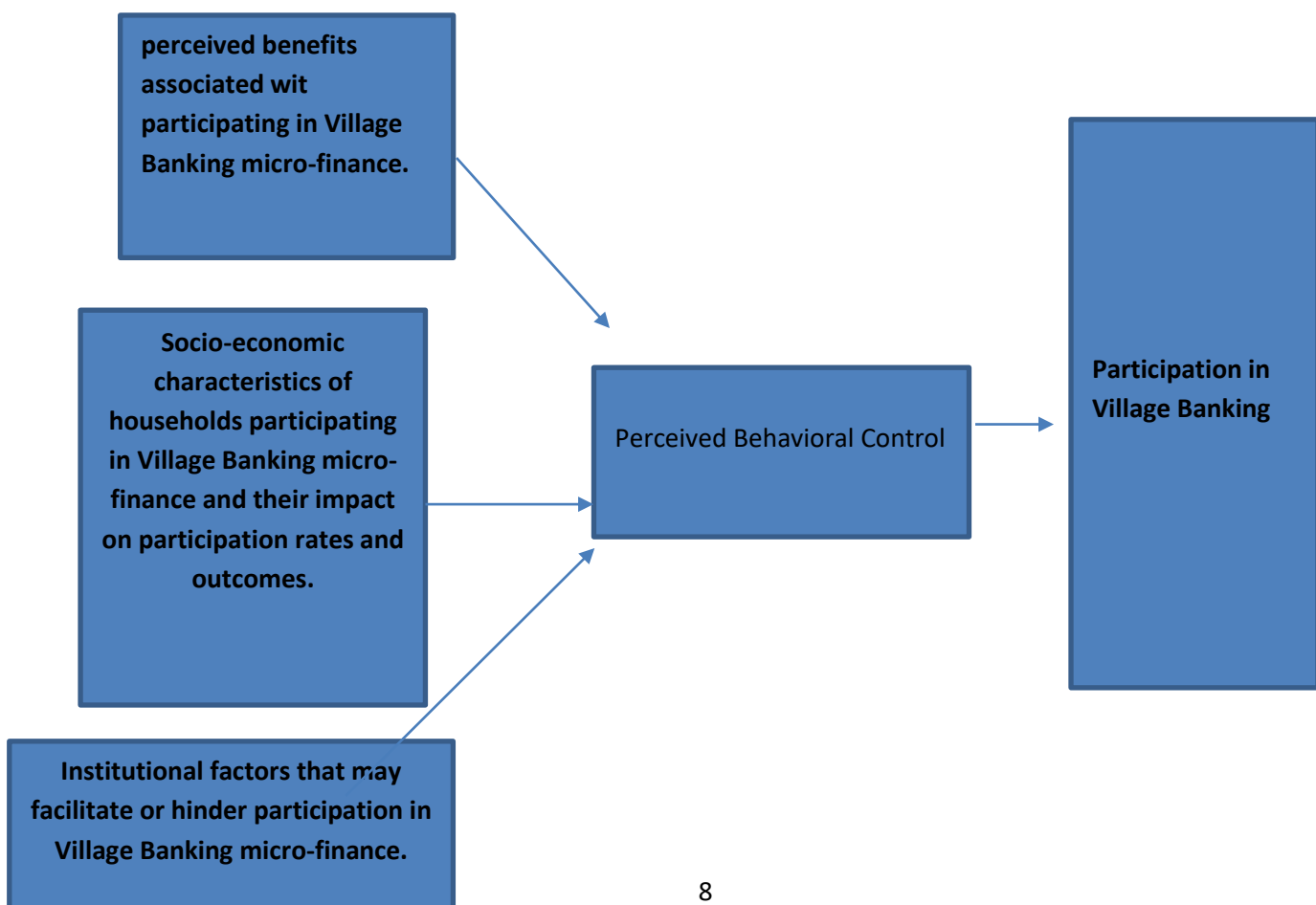
In that study, the following terms were defined operationally:

1. **Community-Based Micro-Finance (CBMF):** In that study, community-based micro-finance referred to financial services and credit facilities provided to individuals within a specific community, in that case, Kaunda Square, Lusaka. CBMF involved the pooling of resources, savings, and loan provisions managed collectively by community members, aiming to enhance financial inclusion and support economic activities at the local level.
2. **Village Banking:** For the purpose of that research, Village Banking was a form of CBMF characterized by small self-managed groups within the community of Kaunda Square, Lusaka. These groups collaborated to provide financial services, including savings and loans, to their members, leveraging local trust networks and minimizing the need for traditional collateral.
3. **Socio-Economic Factors:** Socio-economic factors encompassed elements such as income levels, education, employment status, and household size among the residents of

Kaunda Square. These factors influenced individuals' financial capacity, access to resources, and economic opportunities, thereby affecting their ability and willingness to participate in Village Banking.

4. **Perceived Benefits and Risks:** Perceived benefits and risks referred to the subjective assessments made by individuals regarding their expected gains and potential drawbacks from participating in Village Banking in Kaunda Square. Benefits might have included improved access to credit, financial security, and poverty reduction, while risks could have involved concerns about indebtedness or loss of control over financial decision.
5. **Institutional factors:** Institutional and structural factors pertained to the governance and organizational aspects of the micro-finance institution operating in Kaunda Square. These factors encompassed the rules, regulations, accessibility to financial services, and the overall framework that influenced individuals' decisions to participate in Village Banking.

1.8 CONCEPTUAL FRAMEWORK



In the context of the study on participation in Village Banking in Kaunda Square, Lusaka, the conceptual framework identified the key independent and dependent variables that shaped individuals' decisions to engage in community-based micro-finance initiatives.

Independent Variables:

1. Perceived Benefits:

- These variables are related to individuals' subjective assessments of the advantages and disadvantages of participating in Village Banking.
- They are not inherently socio-economic variables but rather represent individuals' perceptions and attitudes towards Village Banking.

2. Socio-economic Characteristics:

Socio-economic characteristics variables typically referred to the personal and economic attributes of individuals or groups. In the context of Village Banking, these variables might have included:

- Age
- Gender
- Education level
- Household income
- Occupation
- Marital status
- Family size
- Ethnicity or race
- Religion

These variables provide important information about the participants' backgrounds and economic circumstances, which can influence their engagement with Village Banking.

3. Institutional:

These variables pertain to the governance, regulations, accessibility, and institutional support within the Village Banking system. They are not inherently socio-economic variables, but they play a crucial role in shaping the environment in which Village Banking operates. Examples include:

- Regulatory framework governing Village Banking operations
- Accessibility of financial services and banking infrastructure in the community
- Governance structure of the Village Banking program (e.g., leadership roles, decision-making processes)
- Institutional support, such as training and resources provided to Village Banking participants
- Loan terms and conditions set by the Village Banking program

These variables can have a significant impact on the effectiveness and sustainability of Village Banking initiatives, but they are distinct from socio-economic characteristics.

In summary, perceived benefits and risks are subjective assessments, while socio-economic variables describe the personal and economic attributes of participants. Institutional factors, on the other hand, relate to the broader context in which Village Banking operates, including governance, regulations, accessibility, and support.

Dependent Variable:

- **Participation in Village Banking:** The main outcome variable, indicating whether individuals choose to actively engage in Village Banking by becoming members and utilizing its financial services.

Mediating Variables:

- **Perceived Behavioral Control:** Individuals' perception of their ability to participate in Village Banking despite potential constraints.

The conceptual framework in this study on participation in Village Banking in Kaunda Square, Lusaka, was instrumental in defining key independent variables, including perceived benefits, socio-economic characteristics, and institutional factors. These variables were analyzed to understand their influence on individuals' decisions to engage in community-based micro-finance initiatives. Additionally, the framework identified the dependent variable as "Participation in Village Banking" and the mediating variable as "Perceived Behavioral Control," facilitating a comprehensive analysis of the factors influencing participation in this context

CHAPTER TWO: LITERTURE REVIEW

2.1 Overview

This chapter provided a comprehensive review of the existing literature on the Factors Influencing Participation in Community-Based Micro-Finance: A Case Study of Village Banking in Kaunda Square, Lusaka, focusing on global, African, and Zambian perspectives. It reviewed previous studies on community-based micro-finance (village banking), identifying the key factors.

The literature review highlighted the gaps in previous research, which provided the rationale for the current study. The chapter concluded with a discussion of the conceptual framework.

2.3 REVIEW OF RELATED LITERATURE

2.3.1 Overview

Studies at global level:

A study by Kabeer (2005) examined women's participation in microfinance programs across diverse cultural contexts. Kabeer's qualitative analysis shed light on how socio-cultural norms and gender roles influence women's access to and control over financial resources. However, a gap in this study lies in its qualitative nature, which limits the ability to generalize findings across a broader global context due to potential biases introduced by specific cultural nuances a quantitative approach would balance the lacuna.

In a study that investigated the determinants of membership and duration in Self-Help Groups (SHGs), a widely adopted microfinance initiative in South Asia, focusing on the Indian state of Uttar Pradesh. Utilizing data from the Uttar Pradesh Community Mobilization project, the research employed multivariate logistic and hurdle negative binomial regression analyses. Findings revealed that while women from the poorest households are more likely to join SHGs, they were less likely to remain members, especially when classified by asset-based wealth quintiles. Poorer households showed reduced likelihood of initial membership, even when borrowing for health reasons. Interestingly, only women from moderately poor households were more likely to continue as members when borrowing for health and non-income-generating purposes. The study highlights the need for microfinance programs to reassess inclusion and

retention strategies, emphasizing the importance of targeting the poorest households and employing multidimensional indicators for effective poverty alleviation (Ahmed et al, 2020). However Ahmad et al primarily focuses on SHGs in a rural setting, making it essential to explore how the determinants identified in the Indian context align or differ in an urban African setting. However another gap in the based study lies in focus on women there by potentially overlooking certain important gender dynamics.

A study by Khan et al (2019) titled "Why Community-Based Micro Financing Have Very High Recovery Rates, More Efficient Utilization of the Benefits, and Higher Conversion Tendencies of Beneficiaries Into Donors: The Mediatory Role of Social Collateral and Gratitude As Emotional Collateral in Community Organizations of Pakistan" delves into the significant role played by community-based microfinance in poverty alleviation. The research underscores the financial sustainability and remarkable growth achieved by these institutions, attributing their success to factors like high loan recovery rates, efficient resource utilization, and the conversion of beneficiaries into donors. This mutually beneficial relationship between beneficiaries and NGOs contributes to both organizational stability and societal welfare (Ibid, 2019). One notable gap in the study's methodology lies in the exclusive reliance on close-ended questionnaires to collect data from a sample size of 115 respondents. While this quantitative approach can provide valuable insights, it overlooks the richness of qualitative data and the nuances of participants' experiences. Employing mixed methods, such as interviews or focus groups, alongside the questionnaire survey, could have offered a more comprehensive understanding of the psychological impact of community-based microfinance. Qualitative data can capture narratives, emotions, and personal perspectives, which are often instrumental in uncovering the depth of gratitude and emotional collateral mentioned in the study. However Khan's study focused on a specific context, Pakistan, which may limit the generalizability of its findings to other regions or cultures. To enhance the study's applicability to a broader audience, it would be beneficial to replicate the research in different cultural settings (such as Kaunda square) to assess the robustness of the proposed theoretical framework.

Rau (2017) explored the impact of social networks on financial decisions in microfinance institutions across different countries. The research employed a qualitative approach, conducting in-depth interviews with participants to understand how social connections influenced their

participation choices. The study revealed the significance of trust and peer recommendations in influencing participation decisions. While the qualitative approach provided rich insights into the role of social networks, the study lacked a quantitative component to validate the prevalence of these social dynamics on a larger scale. Combining qualitative findings with a quantitative survey could have enhanced the study's credibility and applicability.

A study by Christopher et al (2008), explored the role of trust in community-based financial institutions (CBFIs) in various global settings. It found a strong positive correlation between trust levels and participation in CBFIs. The study employed both surveys and in-depth interviews to gather data, ensuring a comprehensive understanding of trust dynamics. While the study effectively links trust to participation, there may be potential bias in self-reported trust levels. Additionally, the study's reliance on interviews might limit its ability to quantify trust accurately, leading to subjectivity in data interpretation.

The study by Kusam (2010) discusses the concept of microfinance, particularly in India, where it has played a significant role in providing financial services to the poor. It highlights the involvement of Self-Help Groups (SHGs), Non-Governmental Organizations (NGOs), and microfinance institutions (MFIs) in delivering financial services. The study emphasizes the importance of microfinance in poverty alleviation, economic growth, women's empowerment, and socio-economic development. The study however lacks a detailed description of its methodology, making it challenging to assess the rigor of the research. Methodological transparency is crucial in research to ensure the validity of findings. It's essential to know how data was collected, the sample size, and the research methods used, among other details.

The study "Microfinance in India: Solutions and Opportunities" explores the evolution and impact of microfinance in India, shedding light on its various models and the role it plays in poverty alleviation and economic development. Kusam Rani (2010) categorizes various microfinance models in India, including the Cooperative Model and Micro-finance companies (MFCs) and that these models serve as diverse avenues for extending financial services to the unbanked and low-income populations in both rural and urban areas. The study also highlights several key impacts of microfinance in India, emphasizing its role in poverty alleviation, women empowerment, economic growth, and the mobilization of savings. It underscores that

microfinance institutions have played a pivotal role in promoting entrepreneurship, skill development, and socio-economic development among marginalized communities. The research however focused on providing an overview of microfinance in India at a high level. While he presents valuable information about the growth and impact of microfinance in the country, his article lacks in-depth analysis or empirical evidence to support its claims. To address this gap, future research could delve deeper into specific aspects of microfinance in India, such as the effectiveness of different models or the socioeconomic causes and outcomes for participation.

Studies at African level:

A study by Demirgüç-Kunt, A., & Klapper, L. (2012) investigated the role of access to financial services in determining participation in financial institutions across African countries. The authors find that less than a quarter of adults in Africa have an account with a formal financial institution and that many adults in Africa use informal methods to save and borrow. Similarly, the majority of small and medium enterprises in Africa are unbanked and access to finance is a major obstacle. Compared with other developing economies, high-growth small and medium enterprises in Africa are less likely to use formal financing, which suggests formal financial systems are not serving the needs of enterprises with growth opportunities. However the Demirgüç-Kunt and Klapper does not delve into the cultural and social factors that might influence individual participation.

The study titled "Factors Influencing Male Participation in Community-Based Microfinance Programs: A Case Study of Catholic Relief Service in Rachuonyo and Malindi Districts" which was undertaken by nakinai et al (2011) offers a valuable perspective on the determinants of male participation in community-managed microfinance programs. Although conducted in a specific geographic context, the study's findings have broader implications for understanding the factors affecting participation in similar programs globally. The research employed a descriptive survey approach with multistage and random sampling, providing a comprehensive overview of these factors. The study uncovered several crucial findings. Institutional strategies, such as training duration and representation in savings groups, significantly influenced male participation. Men

tended to find lengthy training sessions unattractive and often delegated their involvement to their spouses. Additionally, the study highlighted the influence of socio-cultural values, revealing that men preferred homogenous groups due to religious and cultural beliefs. In terms of financial services, men expressed preferences for larger contributions and loans, while concerns arose regarding short loan durations and high interest rates, which were seen as inconsistent with Islamic principles (Ibid, 2011). Notable gaps in the study in relation to current research include its exclusively focused on male participation, overlooking the broader gender dynamics within microfinance programs. A more comprehensive approach considering interactions between male and female participants would have provided a more nuanced understanding. Furthermore, the study lacked an exploration of the broader socioeconomic context, such as economic conditions, employment opportunities, and access to education, which could have enriched the findings and their applicability to different settings. It is also essential to complement quantitative data with qualitative insights. Therefore it missed the opportunity to delve deeper into the subject through qualitative methods like interviews and focus groups, which could have added a richer layer of understanding.

In 2013, Gebreeyesus and Mohnen conducted a study and they explored the role of network embeddedness on innovation performance within the Ethiopian footwear cluster. They employed qualitative case study methods, including interviews and observations. The study found that networks played a crucial role in facilitating access to resources, knowledge sharing, and innovation adoption. A gap could be directed at the potential subjectivity in interpreting qualitative data, which might impact the study's reliability and also the study's focus on the footwear industry might limit the generalizability of its findings to other sectors. Twumasi et al (2021) investigated the relationship between access to credit and rural financial inclusion in Ghana. It used a survey-based approach to analyze factors influencing credit access among rural households. The study found that income, education, and proximity to financial institutions significantly affected credit access. Its, survey-based approach provided valuable insights into credit access in rural areas. However, the study did not consider cultural factors and social networks, which can play a critical role in financial decisions. The focus on rural households may not fully address factors influencing participation in community-based micro-finance, particularly in the Village Banking setup, within the distinct context of urban areas like Kaunda

Square. The study did not delve into the specific mechanisms through which financial inclusion initiatives (like Village Banking) impact participation in community-based micro-finance.

In his study which investigated the impact of women village savings and loan association (VSLA) programs in African countries, focusing on their influence beyond mere financial access. Musinguzi, (2016) found that Although VSLAs are generally considered to enhance financial access and livelihoods for the poor while fostering social capital, the study sheds light on the nuanced ways in which these benefits are mediated through pre-existing social networks. The research, conducted in Luwero District, Uganda, between 2012 and 2014, explores how women's participation in VSLAs is influenced by their social networks, and how VSLAs empower women to challenge structural obstacles to financial autonomy at the household level. The study identifies two types of networks, 'silence-in' and 'silence-through,' that women use within VSLAs to navigate decisions, assert agency, and address power dynamics. The study was however conducted between 2012 and 2014, which might not capture more recent changes in VSLA programs, community dynamics, or policy environments that could impact the relevance and applicability of the findings. The study primarily focuses on women's experiences in VSLAs, potentially overlooking the perspectives and impacts on men participating in these programs. The research acknowledges the influence of pre-existing social networks but might not fully explore how cultural norms, local power structures, and broader societal factors interact with these networks to shape women's experiences in VSLAs.

In a study by Jombo and Wytone (2022) which investigates the determinants of household participation in credit markets in Malawi using merged comprehensive data from the Integrated Household Survey. They find that larger family sizes increase the probability of households accessing credit from village banks, and that higher educational levels and residing in urban areas reduce the probability that households tap unchartered sources. In addition, women are more likely to borrow from village banks, while men are more likely to borrow from loan sharks, relatives, and neighbors. Since access to credit has welfare enhancing effects, it is plausible to have policies that encourage penetrating rural areas. the study relies on data from the Integrated Household Survey, which may have certain limitations related to sampling methods, representativeness, and coverage. The survey might not capture the entire diversity of household situations and credit access patterns in Malawi. If the survey data do not adequately represent

marginalized or underrepresented groups, the study's findings may not be generalizable to the entire population. Additionally, the study focuses specifically on Malawi, which has its own unique socio-economic and cultural context. Therefore, the findings might not be directly applicable to other countries or regions with different characteristics.

Another major study conducted in Rongo Constituency, Migori County, aimed to investigate the factors influencing the accessibility of microfinance products among low-income entrepreneurs. While the Rongo Constituency study focused on factors influencing the accessibility of microfinance products, it provides valuable insights relevant to the research topic and objectives of the current study on participation in community-based microfinance in Kaunda Square, Lusaka. The Rongo study touches upon factors such as pricing, ability to repay credit, information accessibility, and service provider availability, which are pertinent to understanding participation in microfinance in Kaunda Square (Ochieng, 2014). However the study's geographical scope is limited to Rongo Constituency, Migori County. Consequently, the findings may not be generalizable to a broader African context, including Kaunda Square, Lusaka. It is important to recognize the potential regional variations in microfinance accessibility and the need for caution when applying these findings to different locations.

According to Kaloo (2016), the primary objective of Microfinance Institutions (MFIs) is to achieve profitability, ensuring stability, and fostering growth and sustainability however in his study kaloo (Ibid, 2016) which aimed at examining the financial factors influencing the performance of MFIs in the Kenyan Coast, specifically within the Jomvu Kuu community-based MFIs, revealed that the performance of MFIs is influenced by the composition of their loan and savings portfolios. Savings played a crucial role in ensuring liquidity and the responsible allocation of loans. Additionally, group lending, effective loan portfolio management, and diversification of loan portfolios were identified as factors enhancing MFI performance. Interestingly, the researcher however also investigated and found that there was no direct correlation between the dividend policy and MFI performance, as the primary role of microfinance institutions is poverty reduction and the improvement of the well-being of individuals who lack access to financial services from commercial banks. The study employed a descriptive research design, targeting 65 members of Nanimo and Jumbe MFIs in Jomvu Kuu, with a selected sample size of 60 members. Primary data was gathered through questionnaires,

and descriptive statistics were applied to analyze the data, determining the mean, standard deviation, minimum, and maximum of various variables.

A major gap in kaloo's research is that it focused on financial (income) aspects surrounding community based micro-finance it left out important variables such as benefits to participants, institutional and socio economic variables which can have significant impact on both financial factors and MFIs performance as a whole. In a study focused on ascertaining whether Village Savings and Loan Associations (VSLA) groups facilitate the pairing of savers, especially commitment savers, with potential borrowers, Cassidy (2015) contended, based on an analysis of innovative data encompassing a census of all 3,800 members from 150 VSLA groups in rural Malawi, that certain members may primarily utilize these groups for saving, while others may predominantly seek credit. Theoretically, these groups could significantly enhance financial intermediation within the villages by reallocating capital from those seeking to save to those in need of credit. This potential reallocation has the capacity to benefit both parties involved, provided that a fair interest rate on lending can be established.

However the study by cassidy does not delve into the urban setting, where formal financial services are more readily available. The Kaunda Square research in Zambia highlights the evolution of micro-finance initiatives into urban areas and questions their role in enhancing financial access. This urban context introduces additional variables and dynamics that may influence participation but are not considered in the rural Malawi study.

Therefore, the gap lies in the contextual nuances and the comprehensive exploration of factors influencing participation within community-based micro-finance initiatives, particularly in urban settings like Kaunda Square, Lusaka. The Zambian study aims to address the absence of detailed insights into participation dynamics, providing a more holistic understanding that extends beyond the specific sorting mechanisms explored in the Malawi research

Studies at the Zambian level:

Using qualitative research design, Nalungwe (2018) investigated Village Bank program implementation in Chongwe District Zambia. established that the targeting of women, group-based lending, and visits client's place of business were some of the factors that promoted the success of the program (participation). However While the study's findings were insightful, the study's reliance on qualitative research methods, such as semi-structured interviews and document review, might introduce subjectivity in data collection and analysis, potentially affecting the reliability and objectivity of the results.

In a case study by Mwansakilwa et al (2017) which examined the Village Savings and Loans Associations (VSLAs) in Zambia, similar to Village Banking, focusing on community-based finance. The research used qualitative methods, including in-depth interviews and focus group discussions with VSLA members. It identified trust and social networks as key factors in participation. While qualitative methods provide valuable insights, they might not capture the quantitative aspects of determinants, and findings might not be generalizable beyond the specific VSLAs studied.

Mwaka sinkala (2020) examines the impact of Village Banking as a means of youth empowerment in Lusaka, Zambia, focusing on the youth at Saint Stephen, United Church of Zambia, Kabulonga, Lusaka. The objectives of the study were to investigate the extent of benefits derived by the group from Village Banking, examine the guidelines and strategies followed to manage Village Banking, identify challenges faced by the group, and suggest possible solutions to these challenges. The study employed both quantitative and qualitative methods of data collection and analysis, including questionnaires, interviews, and focus group discussions, involving a total of 50 respondents from Saint Stephen, United Church of Zambia, Kabulonga, Lusaka, and various Village Banking groups across Lusaka. The findings by mawaka (2020) indicate that Village Banking has been a valuable financial tool, enabling members to make significant financial improvements in their personal lives and those of their families. Members have utilized their earnings to establish businesses, purchase assets, and save money. However, Village Banking groups encounter challenges such as loan repayment defaults, non-compliance with group constitutions, lack of accountability, and inadequate record-keeping

of group funds. Additionally, members often lack essential business management skills needed to grow their financial resources furthermore the study involves respondents from specific Village Banking groups and a single church community in Lusaka. This limited scope may lead to sampling bias and affect the generalizability of the findings to other communities and groups.

In a study looking at the challenges and opportunities associated with crowd funding, specifically focusing on the Village Banking platform in Zambia. The researchers conducted a systematic literature review to define crowd funding, identify its properties, and discuss its challenges and opportunities. Additionally, they conducted a survey to understand the primary challenges faced by Village Banking participants in Zambia. The survey results highlighted challenges related to online infrastructure, trust, payment monitoring, collection tracking, and payment approval. To address some of these challenges, the authors proposed the use of block-chain technology (Neene et al, 2023). While the study by Neene et al provides valuable insights into the challenges and opportunities of crowd funding in Zambia, including Village Banking, it leaves room for a more in-depth analysis of these factors. Crowd-funding platforms can vary significantly in terms of their structure, regulations, and user behavior, so the challenges and opportunities identified in this study may not be applicable to crowd-funding platforms in other contexts. Therefore, the external validity of the study's conclusions may be limited,

Hapompwe et al (2021) conducted a research using an inductive research approach with a descriptive design. However, due to constraints such as COVID-19 restrictions and limited resources, the researcher employed purposive sampling, focusing on Lusaka residents aged 16 and above who were active members of one or more Village Banking groups and literate in English. The study targeted 187 Village Banking groups in Lusaka but sampled 30 groups for logistical convenience. Data collection methods included, questionnaires (104 respondents), interviews (7 interviewees), and focus group discussions (8 groups with 12 members each). The study's findings indicated the existence of guiding documents for the formation and operation of Village Banking groups. These documents outlined group size, leadership selection, and general operational guidelines. Participants reported various socio-economic benefits, including moral support, networking opportunities leading to business development, skills training, and improved household income. Members could attribute these benefits to their ability to acquire assets such as houses and cars and support their children's education. However, the study also identified

challenges, particularly related to poor record-keeping within groups and inadequate loan repayment culture among members (Ibid, 2021). Overall, Hapompwe's study offers valuable insights into the Village Banking landscape in Lusaka, Zambia. However, the study mainly focused primarily on the benefits and challenges faced by Village Banking groups, rather than addressing the factors influencing participation comprehensively. Additionally, the absence of a clear policy framework mentioned in the study suggests that there may still be gaps in understanding the regulatory environment surrounding of these microfinance initiatives. Future research in this area should strive to provide a more comprehensive view of the factors influencing participation while considering the broader policy context.

A study titled "Understanding the Transactional Challenges Encountered in Village Banking While Exploring a Block chain Enabled Solution" was conducted using a survey to understand the current payment modes used in village banking groups. It identifies challenges such as difficulty in monitoring payments, tracking collections, making payments to members on different platforms, handling excess cash, and achieving consensus on lending decisions. The study then proposes a block-chain-powered solution to address these challenges, emphasizing transparency, scalability, and easy monitoring of financial activities within the group (Banda, 2019). The study lacks a comprehensive review of existing literature related to village banking, block-chain technology, and financial inclusion. A more extensive literature review would provide a stronger theoretical foundation for the research. The study mentions challenges identified through the survey, but it lacks a thorough analysis of the survey results. A more in-depth analysis could provide a better understanding of the issues faced by village banking groups. While the study provides an interesting proposal for addressing challenges in village banking using block-chain technology, it lacks depth in terms of methodology and theoretical grounding. Further research and a more robust methodology would strengthen the study's findings and recommendations.

Mwansakilwa et al (2017) conducted a study where they investigated the impact of participation in village savings and loan associations (VSLAs) on consumption expenditure among rural households in Eastern and Western Zambia. Consumption expenditure was used as a proxy for welfare, as it is considered more reliable and less prone to under-reporting errors than income.

The study employed propensity score matching (PSM) and utilized data from these regions to estimate the effects of VSLA participation.

The results of the study revealed significant positive effects of participating in VSLAs on household consumption expenditure. Specifically, the study found that:

1. Participation in VSLAs was associated with substantial and statistically significant increases in consumption expenditure.
2. Approximately 38% of the total weekly household expenditure and 17% of per capita weekly household expenditure could be attributed to participation in VSLA interventions.
3. These findings aligned with previous research, indicating that well-designed and properly implemented informal savings and lending initiatives, such as VSLAs, have the potential to contribute significantly to poverty alleviation in rural areas. They achieve this by facilitating access to affordable credit through savings.

While the use of propensity score matching (PSM) is a valuable statistical technique for estimating causal effects in observational data, it is important to acknowledge that PSM relies on certain assumptions. Therefore the methodology is in aligned in such a way that it assumes "conditional independence" or the absence of unobserved confounding variables. If there are unobservable factors that influence both participation in VSLAs and consumption expenditure, the estimates produced by PSM may still be subject to bias. Furthermore while the study by Mwangi et al provides valuable insights into the positive impact of VSLAs on household welfare, it's important to note that the study primarily focuses on the quantitative aspect of the issue. A comprehensive understanding of factors influencing participation in community-based micro-finance, as pertaining to this research objective, would also benefit from qualitative data and insights from the perspective of participants. This study does not delve into the reasons why individuals choose to participate in VSLAs, the challenges they may face, or the institutional and structural factors that may affect their decisions. Incorporating qualitative research methods or mixed-method approaches alongside quantitative analysis could offer a more holistic view of the factors influencing participation in community-based micro-finance, aligning with this research objectives.

The study by Mutenje (2017), evaluates the effectiveness of project implementation by examining variables such as community participation, the reliability of income sources, management style, and monitoring and evaluation capacities. It finds that community participation positively influences project implementation effectiveness. The study's focused on a specific geographic area (Kasama District) in Zambia; hence the findings may not be easily generalizable to other regions of the country with different contextual factors such as Kaunda square in Lusaka.

Summary of the literature

The literature review on factors influencing participation in community-based microfinance, focusing on a case study in Kaunda Square, Lusaka, identified several gaps and criticisms. Existing studies from global, African, and Zambian perspectives revealed limitations such as the qualitative nature of some research, hindering generalizability, and the exclusive reliance on quantitative methods overlooking qualitative richness. Other critiques included potential bias in self-reported trust levels, insufficient methodological transparency in some studies, and the limited applicability of findings due to the specific contexts studied, as well as the absence of a comprehensive exploration of factors impacting participation.

Specific studies had gaps such as the exclusive focus on male participation, overlooking broader gender dynamics, and the absence of exploration of the broader socioeconomic context. Methodological issues, including potential subjectivity in interpreting qualitative data and limited generalizability, were also noted. The timeframe of certain studies was criticized for potentially missing recent changes, and the lack of a detailed policy framework in some studies raised concerns about understanding the regulatory environment. Additionally, the exclusive focus on financial aspects in one study was seen as a major gap, neglecting variables like benefits to participants, institutional, and socio-economic factors crucial for a holistic understanding.

Studies conducted in Zambia were critiqued for relying solely on qualitative methods, potentially introducing subjectivity and limiting generalizability. The proposed blockchain solution lacked a comprehensive literature review, a thorough analysis of survey results, and depth in methodology

and theoretical grounding. While a study showed positive effects of VSLA participation on consumption expenditure, methodological assumptions and the absence of qualitative insights were noted as limitations. Another study focusing on project implementation effectiveness was criticized for its specific geographic focus, limiting generalizability to other regions in Zambia.

In summary, the gaps in the literature review centered around methodological limitations, contextual specificity, gender bias, lack of comprehensive exploration, and the need for a more balanced integration of qualitative and quantitative approaches to enhance the validity and applicability of findings.

CHAPTER THREE

3.0 RESEARCH METHODOLOGY

3.1 Introduction

This chapter discussed the research design, the study population, sample design, data collection procedure, and the techniques of data analysis. Research methodology could be simply defined as the specific set of procedures and techniques utilized to discover, choose, process, and analyze information pertaining to a particular subject (www.libguides.wits.ac.zm, 2020). Research methodologies came in various types, including Quantitative, Qualitative, and Mixed methods. Therefore, the methodology adopted for this research was that applied by Neene et al. (2023), which was the mixed-method approach.

3.2 research philosophy

In conducting research on participation in Village Banking in Kaunda Square, Lusaka, Zambia, the choice of research philosophy played a pivotal role in shaping the approach and underlying assumptions of the study. This research adopted an interpretivist research philosophy, which emphasized the importance of understanding social phenomena within their natural context and from the perspectives of the participants (Bryman, 2015). The interpretivist paradigm aligned with the study's aim to explore the multifaceted factors influencing participation in Village Banking, acknowledging that these factors were inherently tied to the socio-cultural and economic context of Kaunda Square. By adopting an interpretive stance, the research embraced the notion that individuals' perceptions, motivations, and experiences could not be fully captured through quantitative data alone. Instead, it recognized the value of qualitative insights obtained through in-depth interviews to unravel the complexities of decision-making regarding microfinance participation (Denzin & Lincoln, 2018). This research philosophy was grounded in the belief that participants' voices and narratives were central to comprehending the dynamics of Village Banking in this specific context. It acknowledged that people's behaviors and choices were influenced by subjective interpretations, which could best be elucidated through qualitative inquiry (Ibid, 2018). Therefore, an interpretivist research philosophy was chosen to facilitate a holistic and contextually sensitive exploration of participation in Village Banking in Kaunda Square.

3.2 Research design

This study utilized a mixed-methods research design, incorporating both quantitative and qualitative data collection methods. According to Cameron and Miller (2011), a mixed-method approach involved the collection, analysis, and interpretation of both quantitative and qualitative data within a single study or across a series of studies investigating the same underlying phenomenon. This approach enabled a comprehensive exploration of factors influencing participation in Village Banking in Kaunda Square, Lusaka.

3.3 Sampling:

Target population: The entire household population of Kaunda Square which is approximately 16000 households with 4 major village banking groups.

Purposive Sampling: Participants were selected purposefully to ensure they could provide rich, context-specific insights into the research questions. This approach aligned with the study's aim of presenting detailed and in-depth experiences.

Categories of Participants:

1. Government Officials:

- Two officials from the Ministry of Community Development directly responsible for Village Banking policies and institutional practices were selected.
- The selection prioritized individuals with significant experience and expertise in microfinance policies and practices.

2. Direct Practitioners:

- Two officials from the ward community development office level involved in the implementation of Village Banking were selected.
- Preference was given to practitioners who had direct involvement in managing or facilitating Village Banking activities at the grassroots level.

3. Current Participants:

- From the 4 major village banking groups, one group comprised 6 members, another comprised 8 members, and the other two groups comprised 17 and 24 members respectively. Two of the largest groups were sampled, thus creating a sample of 41 participants for the Village Banking programs.
- The selection criteria for current participants prioritized individuals who had actively engaged with Village Banking programs, ensuring diverse perspectives and experiences were represented.

Therefore, the adoption of a methodologically complete approach to sampling in mixed-method research, as advocated by Creswell and Plano Clark (2011), offered a robust theoretical basis for selecting a substantial portion of the sample population, exceeding 70% (41 out of 55 members). This approach underscored the importance of thoroughness and comprehensiveness throughout the research process, with the primary goal of encompassing a wide array of perspectives and experiences within the study's sample. By incorporating a larger number of participants, researchers could ensure that their findings were firmly rooted in a diverse empirical context, thereby bolstering the strength and validity of the research outcomes. These criteria ensured that the purposive sampling approach targeted individuals who could provide rich insights into the research questions and offer diverse perspectives relevant to the study's objectives.

Total Participants: The study involved a total of 45 participants, two of whom were officials from the Ministry of Community Development and two officials from the ward community development office level, as outlined above.

The decision to propose a sample size of 45 for this mixed-method research on participation in Village Banking in Kaunda Square, Lusaka, was primarily guided by practical considerations concerning time, budget, and participant availability. As this research involved both quantitative surveys and qualitative interviews, it necessitated careful allocation of resources to ensure effective data collection and analysis within the proposed timeframe and budget constraints.

With limited resources available for recruitment, data collection, and analysis, a sample size of 45 struck a balance between obtaining sufficient data for robust analysis and managing resource limitations effectively. Furthermore, given the complexities of coordinating both quantitative and qualitative data collection methods, a smaller sample size allowed for more manageable logistics and facilitated in-depth exploration of participants' experiences and perspectives. By proposing a sample size of 45, the research aimed to maximize the utility of available resources while still achieving the research objectives outlined in this proposal.

3.4 Data Collection:

Quantitative Data

A structured questionnaire was developed based on the conceptual framework and research objectives to gather quantitative data on participation in Village Banking in Kaunda Square, Lusaka. The questionnaire included closed-ended questions covering socio-economic factors, perceived benefits, institutional factors, and demographic information. Before administering the questionnaire to the target population, a pilot test was conducted with a small sample to assess its clarity, relevance, and reliability. Necessary adjustments were made based on feedback received during the pilot phase to ensure the questionnaire's effectiveness. The questionnaire was administered to a representative sample of participants from Kaunda Square aged 18 years and above. Trained enumerators conducted face-to-face interviews or distributed the questionnaire electronically, depending on participants' preferences and accessibility (Silverman, 2008).

Quantitative data collected through questionnaires were entered into a database for analysis using statistical software such as SPSS. Descriptive statistics, such as the median and interquartile range (IQR), were computed to summarize the data. Given the small sample size, the median was preferred over the mean to describe the central tendency of the data, while the IQR provided insights into the spread of the data. Inferential statistics, including regression analysis, were employed to examine relationships between independent variables and participation in Village Banking (Ibid, 2008).

Qualitative Data

Qualitative data were collected through in-depth interviews and focus group discussions to complement the quantitative findings and provide deeper insights into participation in Village Banking. Purposive sampling was used to select participants who could offer rich insights into the research questions. Three categories of participants were targeted: government officials, direct practitioners, and current participants in Village Banking programs.

In-depth interviews were conducted individually with government officials and direct practitioners to explore their perspectives on Village Banking policies, practices, and implementation. Focus group discussions were organized with current participants to facilitate interactive discussions and capture diverse experiences and viewpoints. Interviews and focus group discussions were audio-recorded with participants' consent and transcribed verbatim for analysis. Field notes were also taken during data collection to capture non-verbal cues and contextual information.

Qualitative data analysis involved several steps, including transcription, data familiarization, coding, theme development, review, refinement, interpretation, and reporting. These steps were conducted systematically to identify patterns, themes, and insights relevant to participation in Village Banking (Halperin, 2020).

By employing both quantitative and qualitative data collection methods, this mixed-method approach generated comprehensive data that aligned with the research objectives and enhanced understanding of the factors influencing participation in Village Banking in Kaunda Square, Lusaka.

3.5 Data Analysis:

Quantitative Data Analysis

Quantitative data collected through structured surveys underwent statistical analysis. Given the potential for skewed distributions in socioeconomic characteristics, the median was used as a measure of central tendency. The interquartile range (IQR) was calculated to describe the spread of the data. To investigate the relationships between independent variables (such as income

levels, education, perceived benefits, and institutional factors) and the dependent variable (participation in Village Banking), multiple regression analysis was conducted. This analysis enabled us to assess the strength and significance of the relationships between these variables. The mediating variable, perceived behavioral control was examined through a mediation analysis to understand its role in influencing participation. SPSS software was utilized for the quantitative data analysis (Creswell, 2017).

Qualitative Data Analysis

Analyzing qualitative data involved several steps as provided by Creswell (Ibid, 2017), aimed at making sense of the information gathered from interviews, focus groups, or other qualitative methods. Here's a step-by-step guide on how qualitative data were analyzed:

1. **Transcription:** The process began by transcribing all interviews or focus group discussions verbatim. This step entailed converting spoken words into written text. Ensuring accuracy in transcription was crucial to maintaining fidelity to participants' responses.
2. **Data Familiarization:** This was done by reading through the transcripts multiple times. This step helped the researchers in gaining a deeper understanding of participants' perspectives, experiences, and key themes.
3. **Coding:** The data were coded by systematically identifying and labeling segments of text representing meaningful concepts, themes, or patterns. This was done using either deductive coding (based on pre-defined categories from the research questions or theoretical framework) or inductive coding (emerging themes from the data itself). Descriptive codes were used to summarize the content of each segment.
4. **Theme Development:** Related codes were organized and grouped into broader themes or categories. Themes represented patterns of meaning or topics emerging from the data. Researchers ensured that themes were coherent, capturing key aspects of participants' experiences or perspectives. Transparency was maintained throughout the process of theme development.
5. **Review and Refinement:** The coded data and identified themes were reviewed to ensure consistency and coherence. Refining and revising of codes and themes were done as

needed, considering their relevance and significance in addressing the research questions. This iterative process involved revisiting the transcripts to enhance reliability.

6. Interpretation: Findings were interpreted within the context of the research objectives, theoretical framework, and relevant literature. This process explored the meaning and implications of the identified themes, considering their significance in addressing the research questions and contributing to the broader understanding of the phenomenon under investigation.
7. Reporting: Finally, reporting of the qualitative findings was done in a clear, concise, and coherent manner. Presentation of the identified themes along with supporting quotes or examples from the data to illustrate key points was done. Rich descriptions and contextual details were provided to enhance the reader's understanding of the findings. Visuals such as thematic maps or diagrams were used to visually represent the relationships between themes.

By following these steps, researchers systematically analyzed qualitative data and generated meaningful insights that contributed to the broader understanding of the research topic.

3.6 Integration of Findings/Triangulation

Triangulation in this study was achieved by combining both quantitative and qualitative data sources. Quantitative data from surveys provided numerical insights into the relationships between independent variables and participation in Village Banking. Simultaneously, qualitative data from in-depth interviews offered rich narratives and context-specific details about socio-economic characteristics and perceived benefits. By comparing and cross-referencing the findings from these two distinct data sources, the study aimed to enhance the validity and comprehensiveness of its conclusions, providing a more robust understanding of the factors influencing participation in Village Banking in Kaunda Square, Lusaka.

3.8 Ethical Considerations

1. Informed Confidentiality:

- All participant information collected during the study was kept confidential and was only accessible to authorized research personnel.
- Participants' identities were anonymized or pseudonymized in all research materials, including transcripts, reports, and publications, to protect their privacy.
- Data storage and handling protocols were implemented to ensure that sensitive information was securely stored and transmitted, following institutional guidelines and regulations.

2. Privacy:

- Participants' privacy was respected throughout the research process. They were not asked to disclose personal information beyond what was necessary for the study.
- Data collection was conducted in private settings to minimize the risk of unauthorized access or disclosure of participants' responses.
- Any personal information collected, such as contact details, was stored separately from research data and was only used for communication purposes related to the study.

3. Informed Consent:

- Prior to participating in the study, participants were provided with detailed information about the research objectives, procedures, potential risks and benefits, and their rights as participants.
- Participants were given sufficient time to review the informed consent form and ask any questions they may have before providing their consent to participate. • Consent forms clearly outlined the voluntary nature of participation, emphasizing that participants had the right to withdraw from the study at any time without penalty.

- For participants who may have had limited literacy or language barriers, verbal consent procedures were implemented, and a witness was present to confirm consent.
- Consent was documented using signed consent forms or audio-recordings, depending on participants' preferences and the feasibility of obtaining written consent.

4. Ethical Oversight:

- The research study underwent ethical review and approval by the relevant institutional review board (IRB) or ethics committee before data collection commenced.
- The study adhered to all ethical guidelines and regulations set forth by the IRB or ethics committee, as well as any relevant laws or regulations governing research involving human participants.

Overall, by implementing these measures, the study upheld principles of confidentiality, privacy, and informed consent, ensuring the ethical conduct of research and the protection of participants' rights and well-being.

3.9 Limitations

- The study's findings were specific to the context of Kaunda Square and may not have been fully generalizable to other regions.
- The qualitative phase relied on participants' self-reported information, which may have introduced subjectivity.

This mixed-methods approach enabled a comprehensive exploration of the factors influencing participation in Village Banking in Kaunda Square, providing valuable insights for policymakers and microfinance practitioners in Zambia and potentially informing the broader field of community-based micro-finance.

Validity: The validity of this study, which aimed to explore the factors influencing participation in Community-Based Micro-Finance programs in Kaunda Square, Lusaka, was rigorously ensured through several key strategies. Firstly, content validity was established by aligning the research questions and data collection instruments with the study's objectives and the existing literature on microfinance participation. This ensured that the study measured what it intended to investigate. Additionally, construct validity was maintained by employing a theoretically grounded conceptual framework, specifically drawing on Social Capital Theory, to guide data collection and analysis. This ensured that the study's concepts and variables were theoretically consistent.

Furthermore, the study emphasized internal validity by employing a mixed-methods design, allowing for data triangulation, where findings from quantitative and qualitative data sources were compared and integrated, enhancing the robustness of the conclusions. To address external validity, purposive sampling techniques were employed to select participants who could provide in-depth insights into the research questions, enhancing the study's ability to generalize findings to similar contexts. Overall, a comprehensive and systematic approach to validity ensured that this study accurately and credibly investigated the factors influencing participation in Community-Based Micro-Finance in Kaunda Square.

Reliability: Reliability, the consistency and repeatability of research findings, was rigorously maintained in this study. To ensure reliability in the quantitative component, standardized survey instruments were utilized, which had been pretested and validated in similar contexts, minimizing measurement error. Moreover, quantitative data collection procedures were carefully documented and strictly followed to enhance explicability.

In the qualitative component, a coding scheme and codebook were developed to ensure consistent categorization of qualitative data, and inter-coder reliability tests were conducted to assess the consistency of coding among researchers. This ensured that the qualitative data analysis process was reliable and replicable. Additionally, reliability was further strengthened through methodological triangulation, as both quantitative and qualitative data sources were employed. By analyzing data from multiple angles, the study aimed to confirm the consistency of findings across different data types, enhancing the overall reliability of the study.

In conclusion, the meticulous attention to data collection, analysis, and documentation in both quantitative and qualitative phases ensured that this study maintained high levels of reliability, thus bolstering the credibility of its findings regarding the factors influencing participation in Community-Based Micro-Finance in Kaunda Square, Lusaka.

CHAPTER FOUR

PRESENTATION AND INTERPRETATION OF RESEARCH FINDINGS

4.0 Introduction

This chapter presents the findings given the research questions set at the beginning of the study. The chapter is divided into the findings on the following themes; Participant Information, Perceived Benefits, Institutional Factors, Socio-Economic Characteristics affecting participation in village banking.

4.1 Social Demographic Characteristics of Respondents

Figure 2, respondents' gender

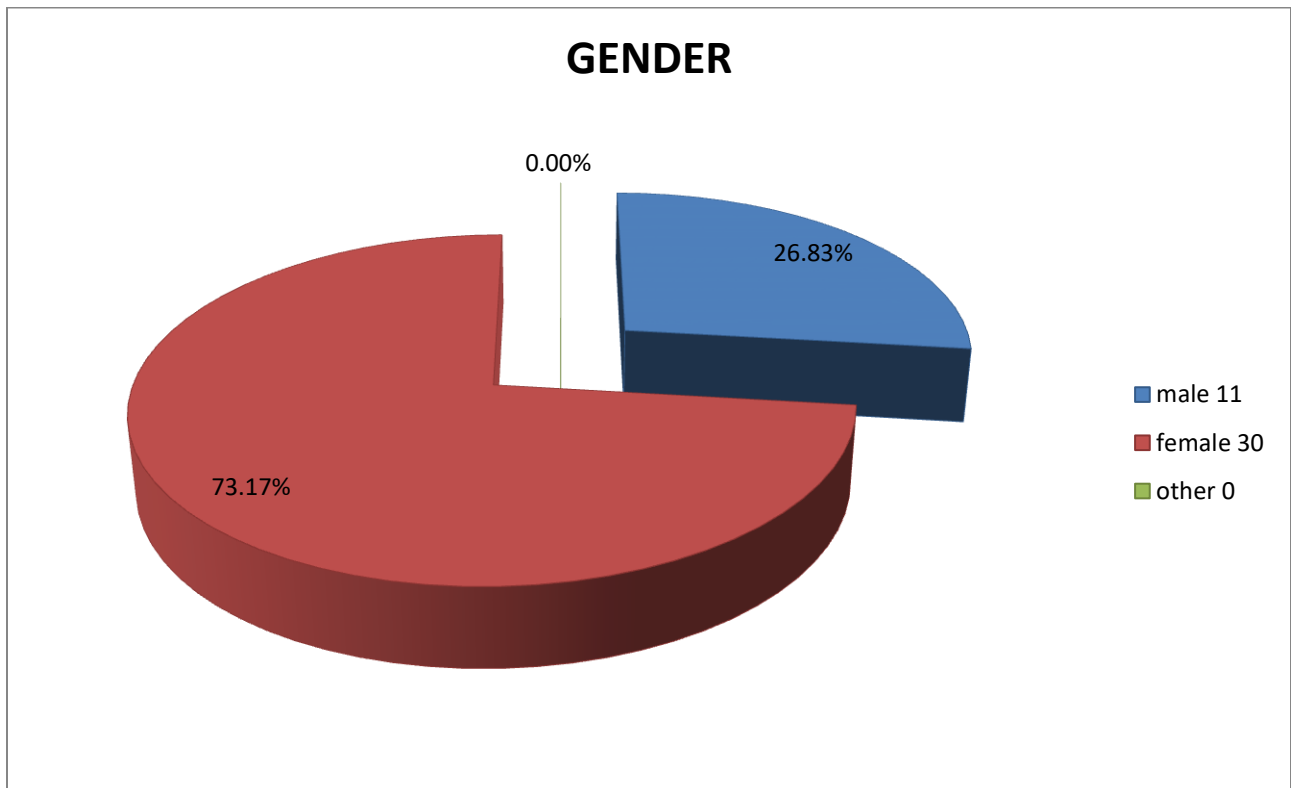


Figure 2, above shows the findings regarding gender distribution in participation in Village Banking micro-finance in Kaunda Square, Lusaka are as follows:

Overall, the majority of participants in the study were Female Participants with 30 individuals, constituting 73.17% of the total participants, with Male Participants making a total of 11 individuals, comprising 26.83% of the total participants. There were no individuals who identified as "Other" gender, and there were no instances of non-response in terms of gender identification. This distribution suggests a higher level of participation among females in Village Banking micro-finance programs in Kaunda Square, Lusaka, compared to males.

Figure 3, respondents' age

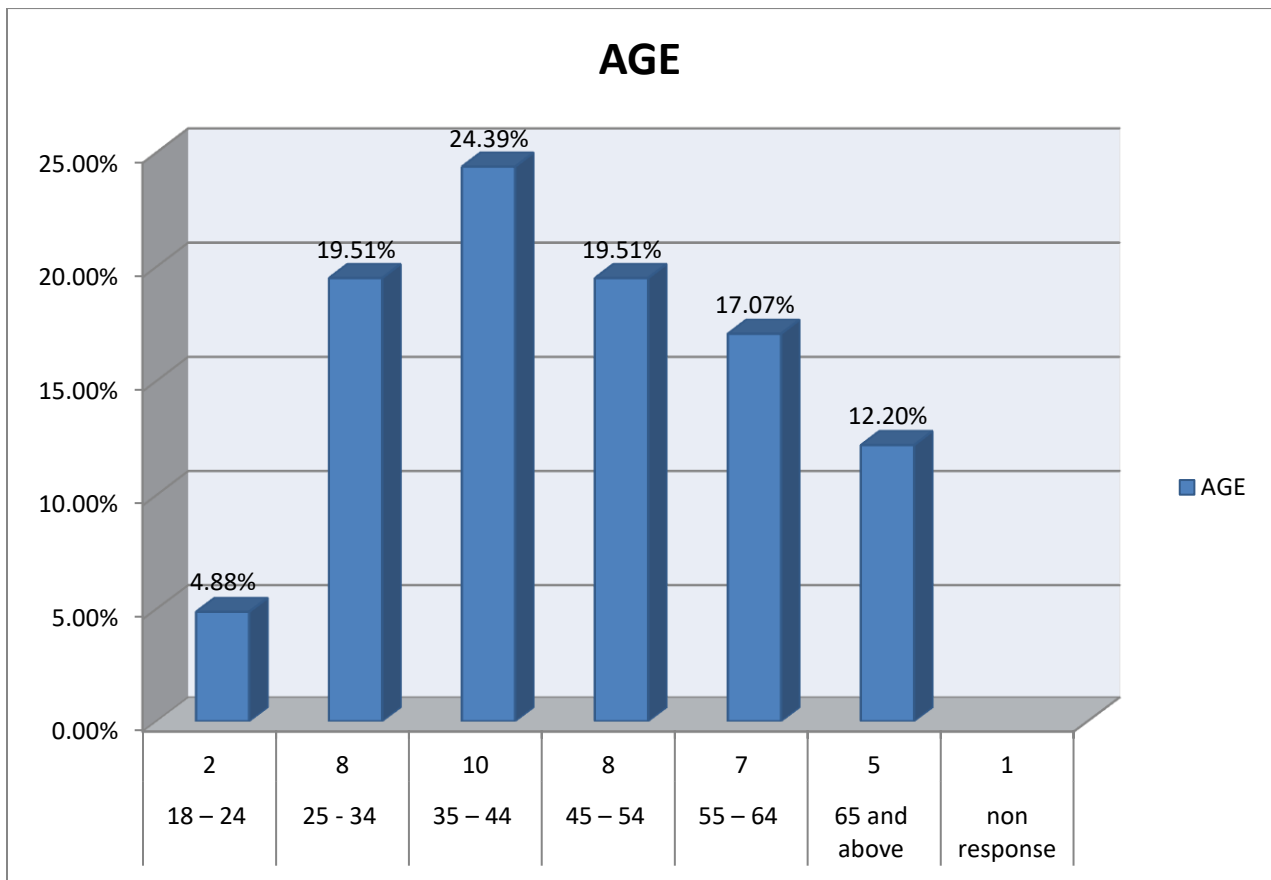


Figure 3, present the distribution of respondents across various age brackets as observed in a study examining factors influencing participation in Village Banking micro-finance within Kaunda Square, Lusaka. The respondents were divided into six distinct age groups: 18-24, 25-34, 35-44, 45-54, 55-64, and 65 and above.

The breakdown reveals that 4.88% of the total respondents fell within the 18-24 age range, accounting for 2 individuals. Similarly, the 25-34 age group constituted 19.51% of the respondents, totaling 8 individuals. The distribution continues with 24.39% (10 respondents) in the 35-44 age group, 19.51% (8 respondents) in the 45-54 age group, 17.07% (7 respondents) in the 55-64 age group, and 12.20% (5 respondents) in the 65 and above age group. Additionally, there was one non-response, representing 2.44% of the total respondents. This breakdown provides insight into the age demographics of the participants in the study, which is essential for understanding how different age groups perceive and engage with Village Banking micro-finance programs in Kaunda Square.

Figure 4 respondents education

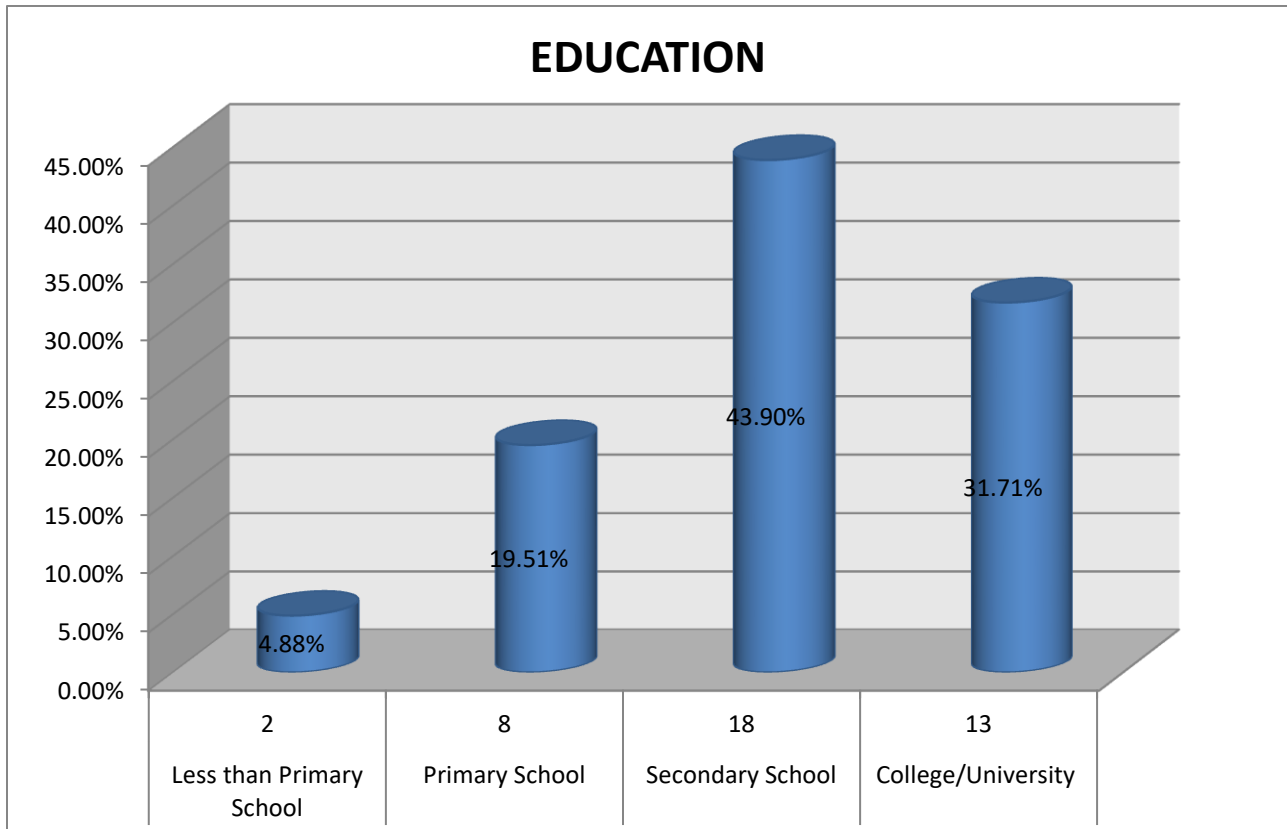


Figure 4, illustrates the breakdown of education levels among participants in the Village Banking micro-finance program in Kaunda Square, Lusaka. Among the participants, 2 individuals, who accounted for approximately 4.88% of the total, reported having less than a primary school education. The primary school level was reported by 8 participants, representing about 19.51% of the total. A larger proportion, comprising 18 participants, equivalent to 43.90%, indicated having completed secondary school. Furthermore, 13 participants, making up approximately 31.71% of the total, reported attending college or university. Notably, there were no participants who did not respond to this question.

Figure 5 respondents marital status

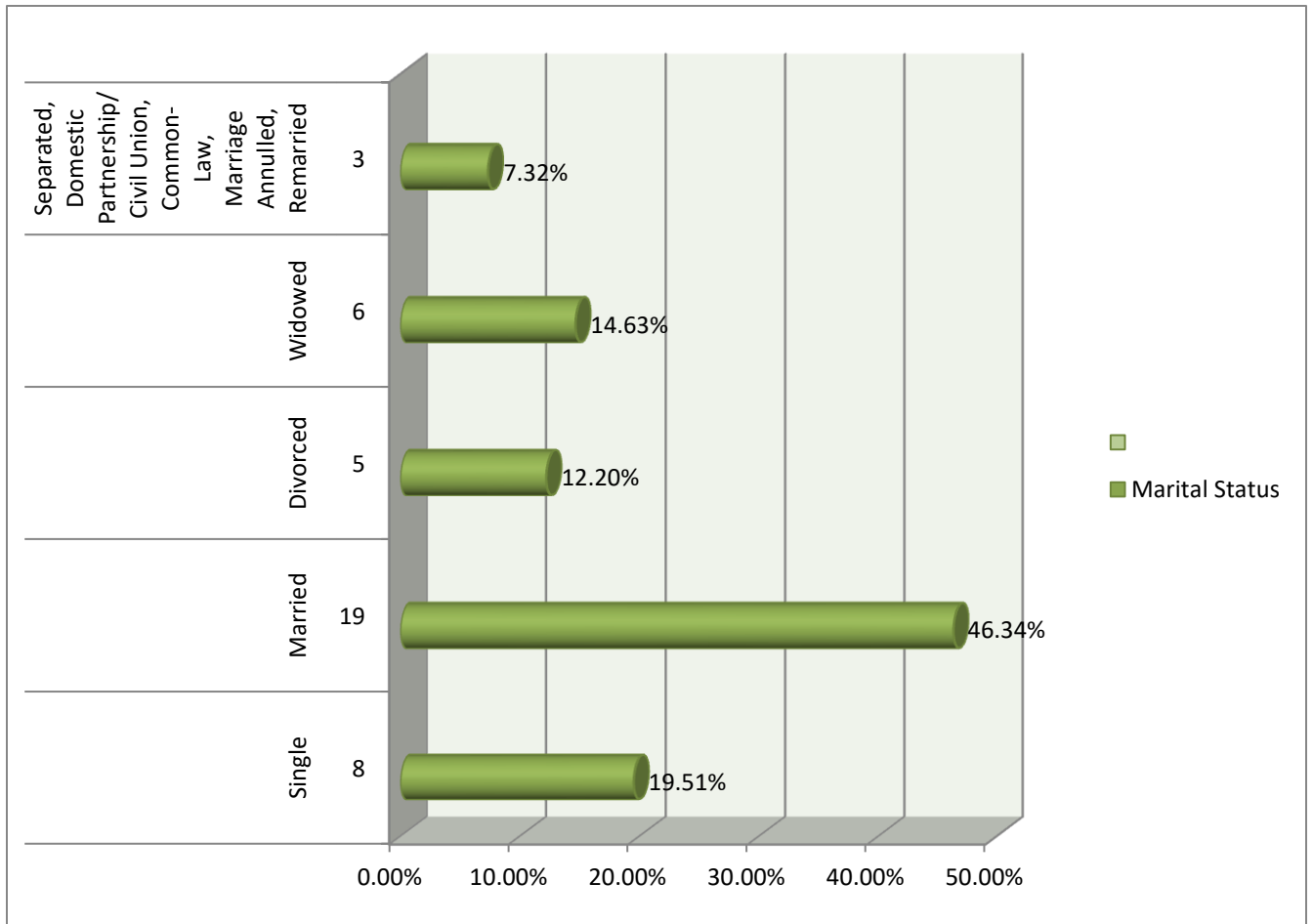


Figure 5, above illustrates the distribution of participants' marital statuses in the Village Banking micro-finance program in Kaunda Square, Lusaka, and their corresponding percentages. Single individuals constitute 19.51% of the total, represented by 8 participants. Married participants make up the largest proportion at 46.34%, totaling 19 individuals. Divorced participants account for 12.20% of the total, consisting of 5 individuals, while widowed participants represent 14.63%, totaling 6 individuals. A smaller percentage, 7.32%, which translates to 3 participants,

falls under various other marital statuses such as separated, domestic partnership/civil union, common-law or marriage annulled. Notably, there were no non-responses recorded.

Figure 6 respondents house income

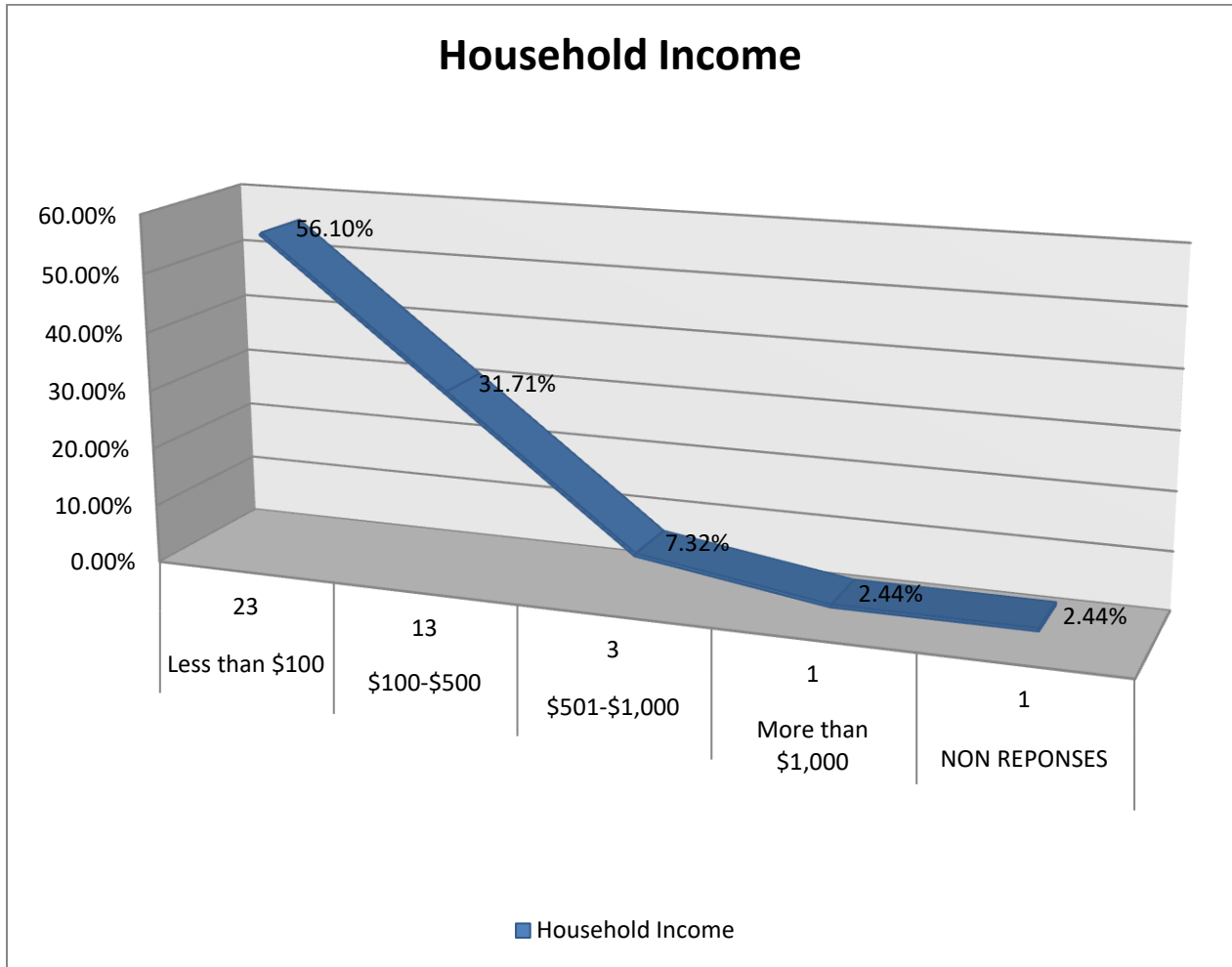


Figure 6, above shows the distribution of respondents by household income as follows 56.10% have a household income of less than \$100 per month. This translates to 23 participants.

Furthermore, 31.71% of participants reported a household income ranging between \$100 and \$500 per month, reflecting a substantial portion of the population with moderate income levels.

This corresponds to 13 participants. 7.32% reported a household income between \$501 and \$1,000 per month, which corresponds to 3 participants. Additionally, 2.44% of participants reported an income of more than \$1,000 per month, accounting for 1 participant. It's notable that 2.44% of participants did not respond regarding their household income, this non-response corresponds to 1 participant.

Figure 7 respondents occupation

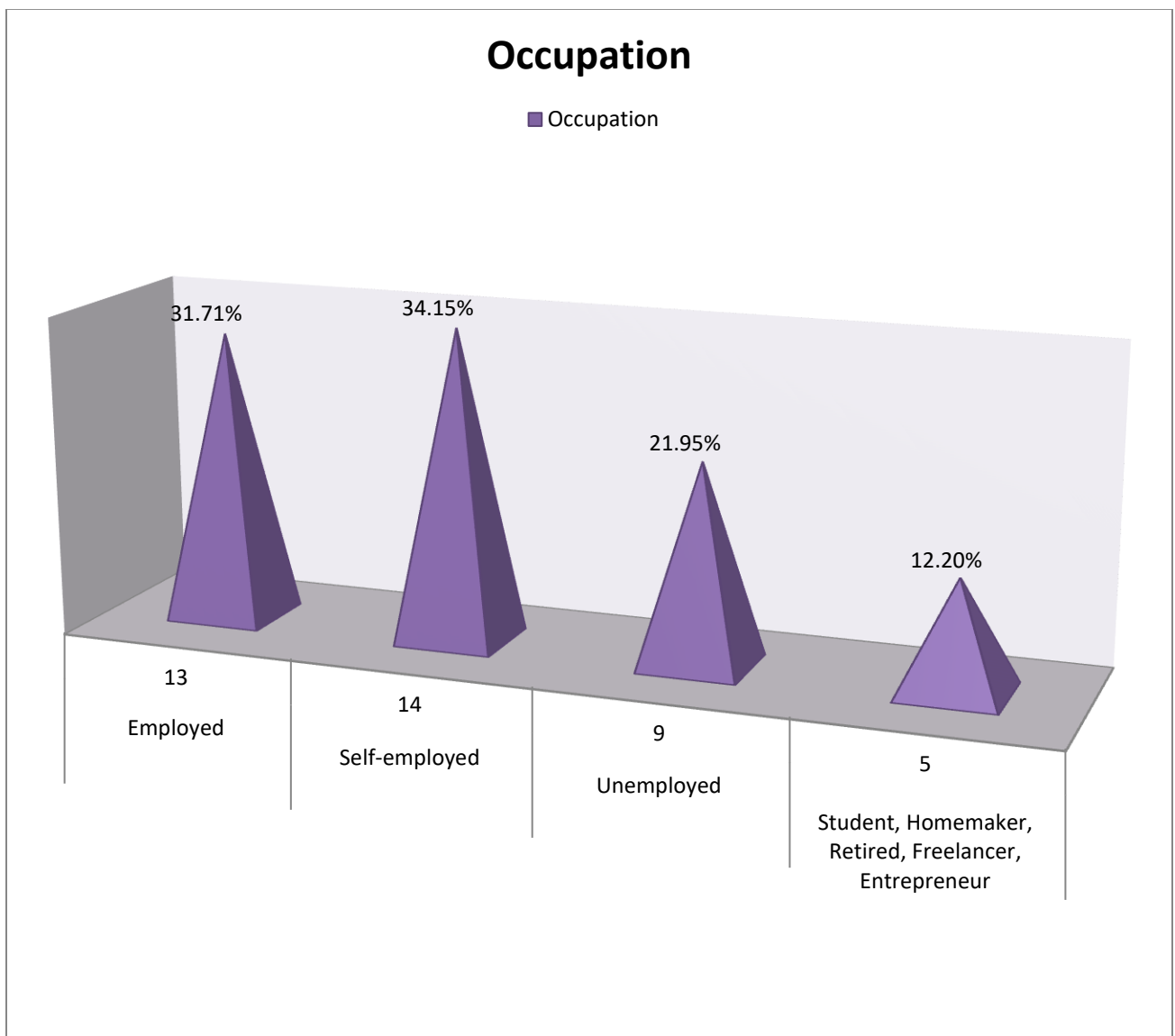


Figure 7, illustrates the distribution of individuals across different occupational categories. Among the respondents, 13 individuals are employed, constituting approximately 31.71% of the total sample. The self-employed category comprises 14 individuals, representing around 34.15%. Additionally, 9 respondents are currently unemployed, accounting for approximately 21.95%. Furthermore, there are 5 individuals who identify as students, homemakers, retired, freelancers, or entrepreneurs, making up roughly 12.20% of the sample.

Figure 8 respondents family size

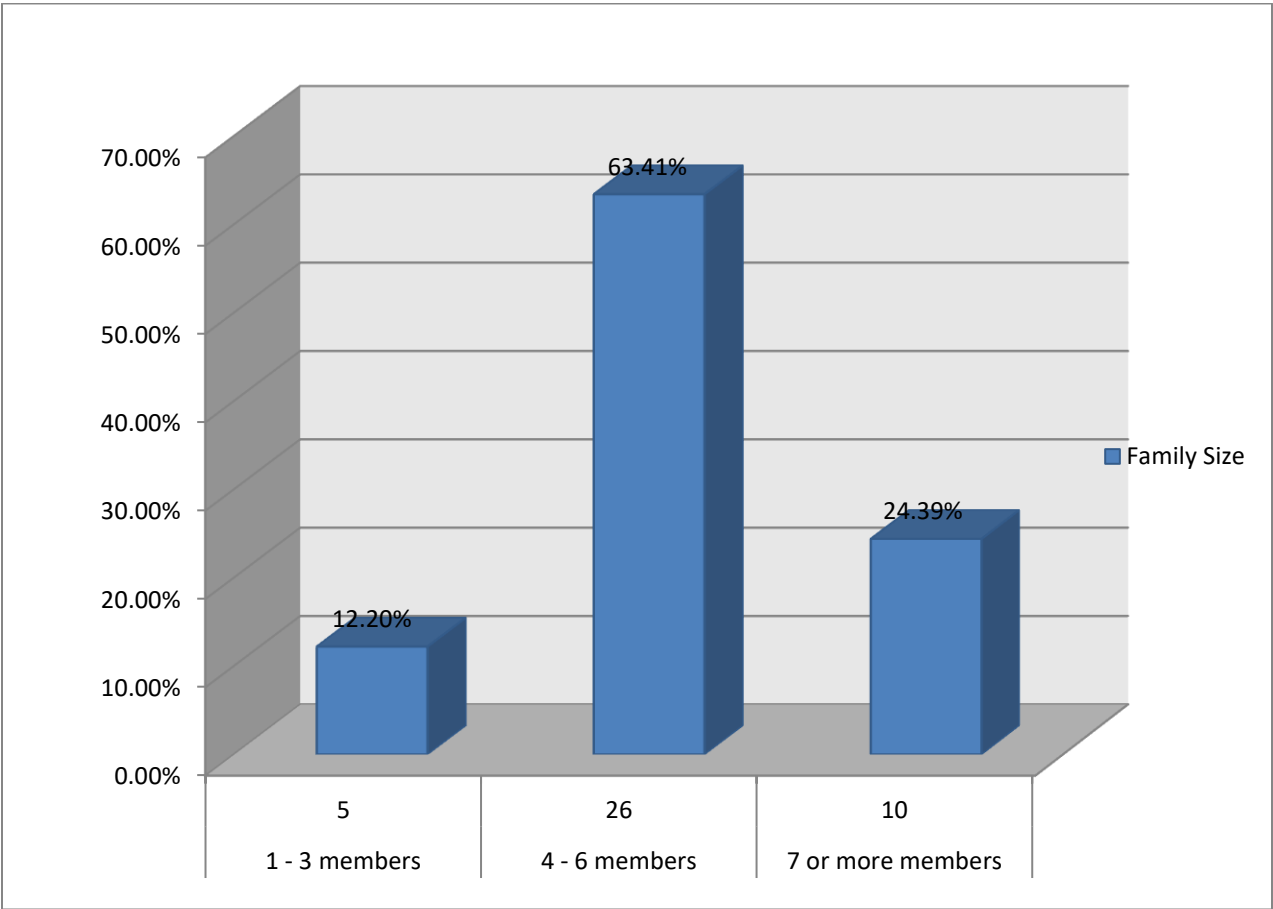


Figure 8, the distribution of family sizes in the surveyed population. Among the respondents, 5 families had 1 to 3 members, constituting approximately 12.20% of the total. The majority of families, comprising 26 households, had 4 to 6 members, representing about 63.41%. Families with 7 or more members accounted for 10 households, equivalent to 24.39%.

4.2 Objective 1: Perceived Benefits

Figure 9 illustrates the impact of participating in Village Banking micro-finance on individuals' financial situations.

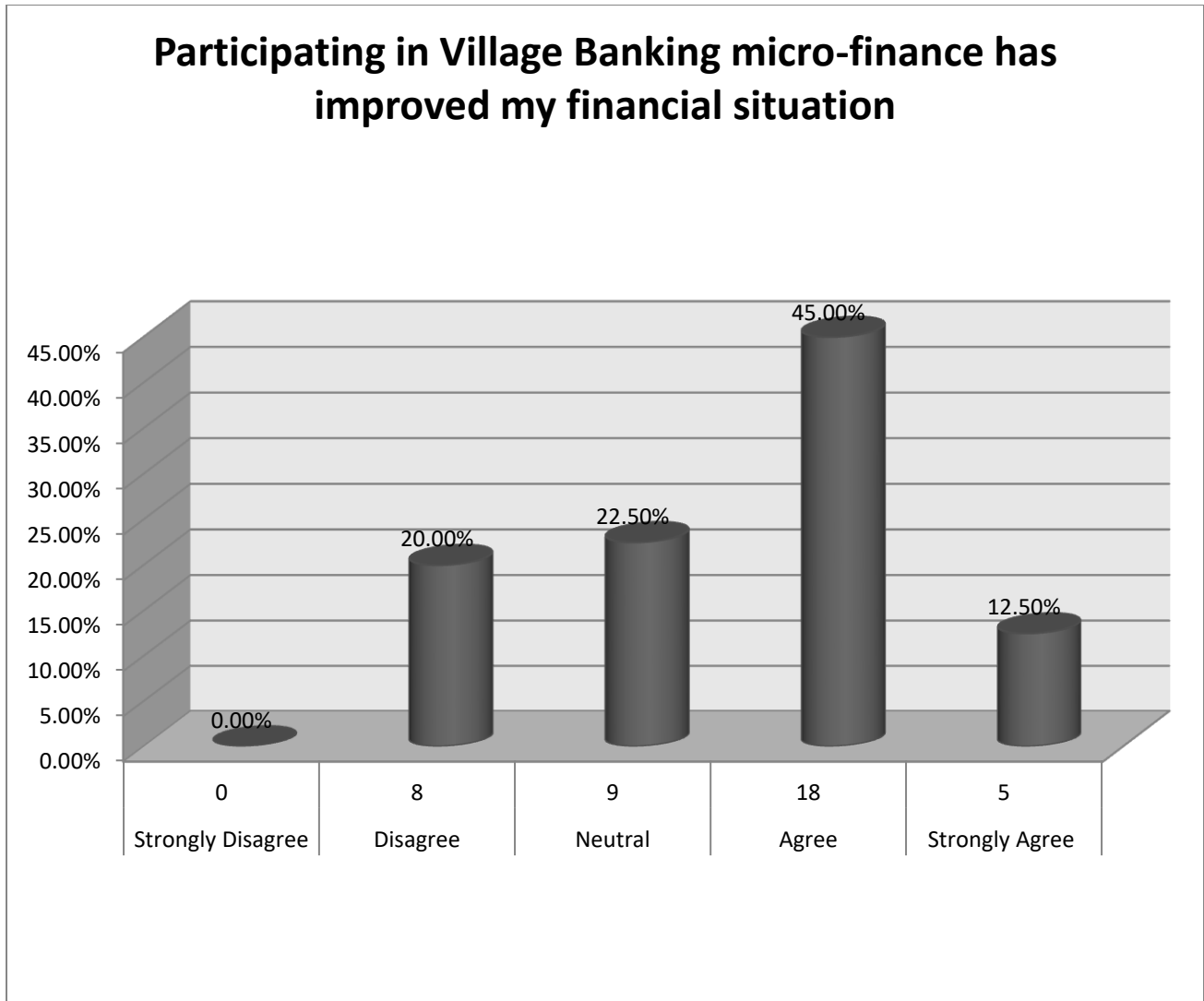


Figure 9, illustrates the impact of participating in Village Banking micro-finance on individuals' financial situations. The data reveals a range of responses from participants. Among them, 0 individuals strongly disagree with the statement, which represents 0.00% of the respondents. Conversely, 8 individuals or 19.51% expressed disagreement. Furthermore, 9 respondents, constituting 21.95%, remained neutral on the matter. On the positive side, 18 individuals,

comprising 43.90%, agreed that participating in Village Banking had improved their financial situation. Similarly, 5 individuals strongly agreed with this statement, representing 12.20% of the respondents.

Figure 10 illustrates the distribution of responses regarding the perception of Village Banking micro-finance

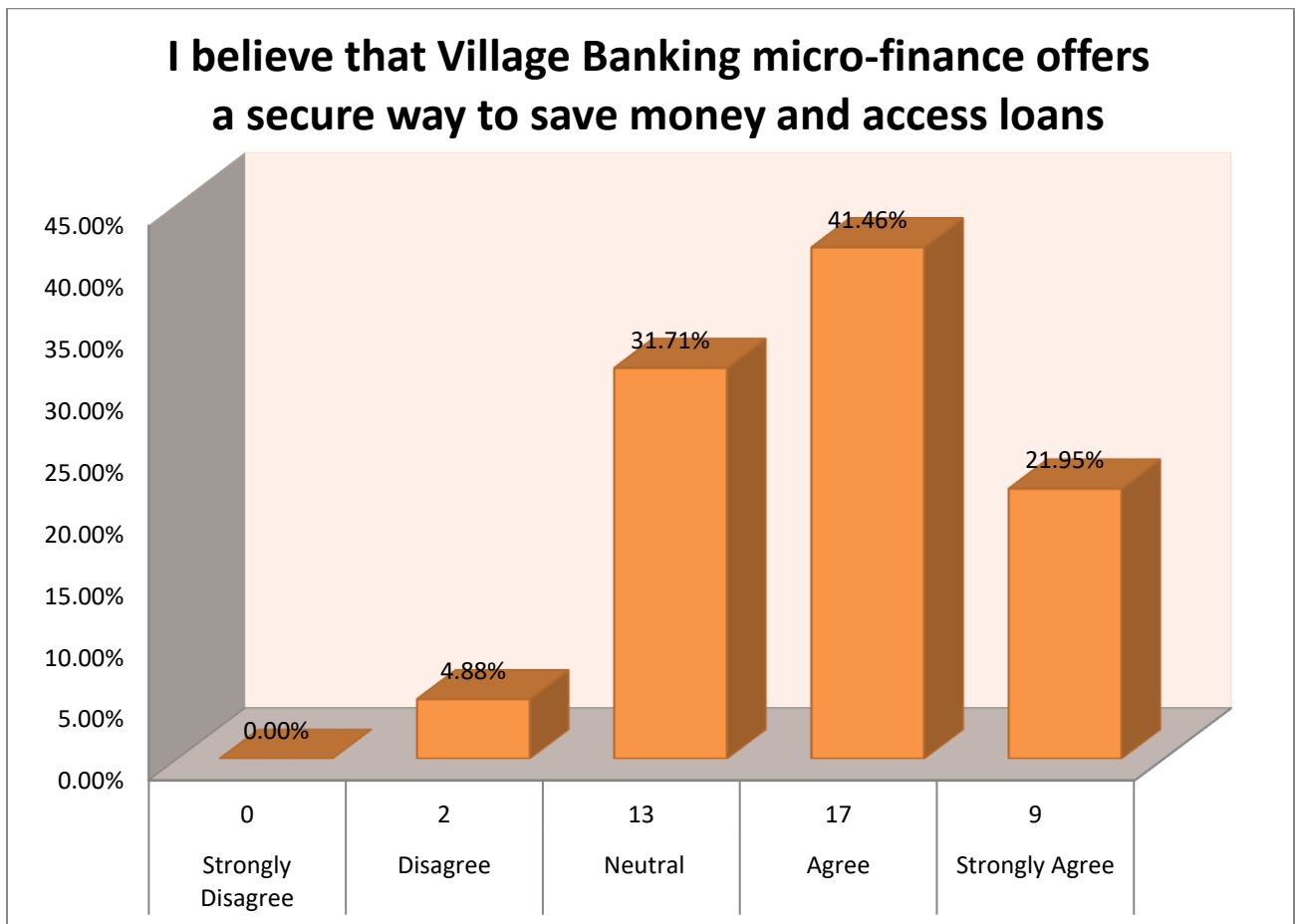


Figure 10, illustrates the distribution of responses regarding the perception of Village Banking micro-finance. This survey assessed opinions on its reliability as a method for saving money and obtaining loans. The data reveals that 0 individuals, or 0.00%, strongly disagree with this notion. 2 respondents, representing 4.88%, disagree with the effectiveness of Village Banking micro-

finance. 13 individuals, accounting for 31.71%, remain neutral on the matter. On the other hand, 17 participants, constituting 41.46%, agree with the efficacy of this financial approach, while 9 individuals, representing 21.95%, strongly agree with it.

Figure 11, the impact of Village Banking micro-finance on the economic development of the respondent's community

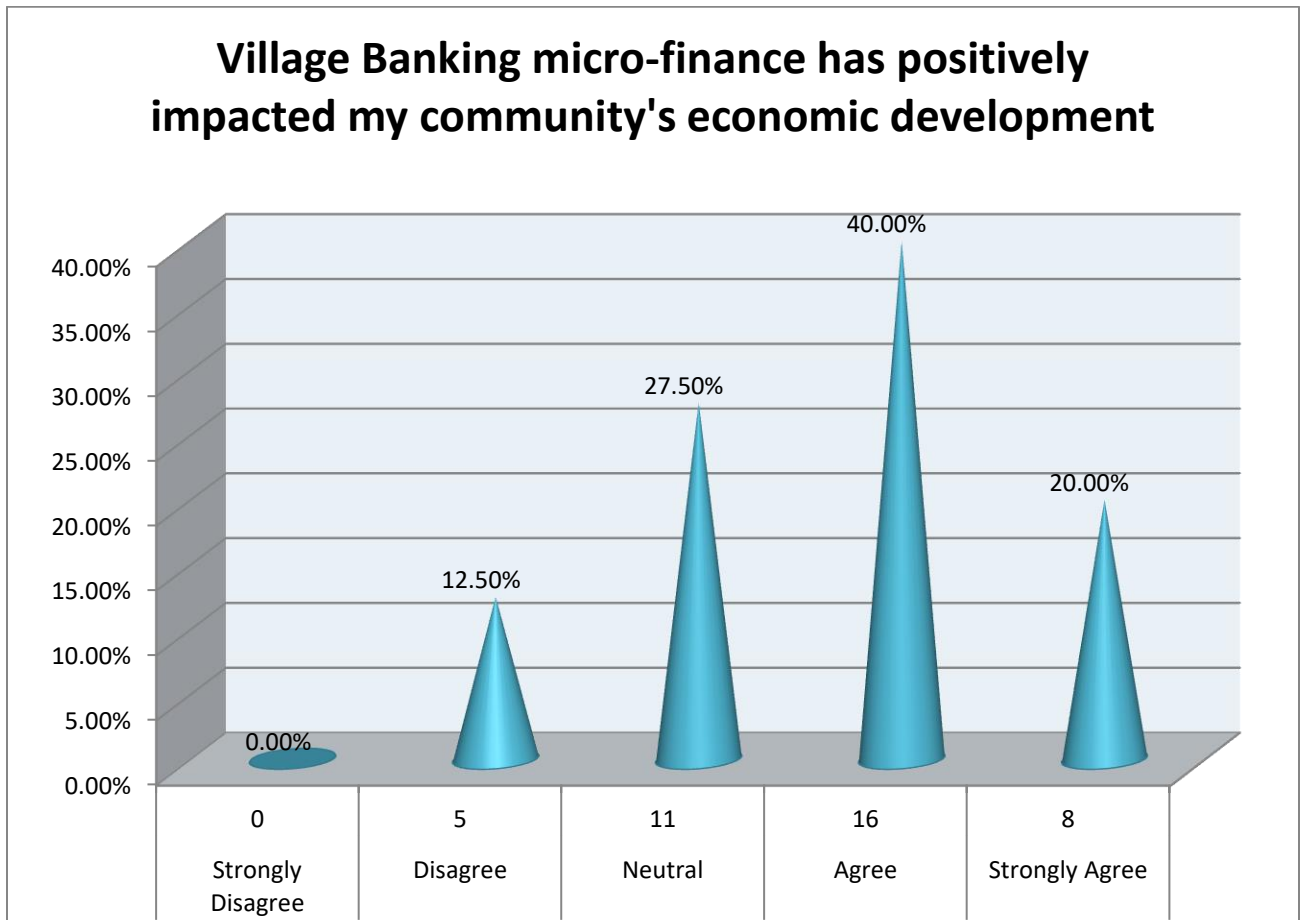


Figure 11, illustrates the impact of Village Banking micro-finance on the economic development of my community is depicted. The frequency and corresponding percentages of responses to a survey question regarding this impact are presented. The responses are categorized into five options: Strongly Disagree, Disagree, Neutral, Agree, and Strongly Agree, along with a category for non-responses. Among the respondents, 0 individuals, representing 0.00%, strongly disagreed with the statement. 5 respondents, comprising 12.20%, disagreed. A larger portion of the

respondents, 11 individuals, representing 26.83%, expressed a neutral stance. On the positive side, 16 respondents, constituting 39.02%, agreed with the statement, while 8 individuals, representing 19.51%, strongly agreed. This data illustrates the varied perceptions within the community regarding the positive impact of Village Banking micro-finance on economic development.

Key informants (first official and second official): ministry of community development and social services.

Responses to, Are you aware of the Village Banking micro-finance program in Kaunda Square, Lusaka?

When asked Are you aware of the Village Banking micro-finance program in Kaunda Square, Lusaka?

The first official answered YES.....

And second official answered YES

Responses to, Have you been involved in any way with Village Banking initiatives in Kaunda Square, Lusaka, as part of your government responsibilities.

Have you been involved in any way with Village Banking initiatives in Kaunda Square, Lusaka, as part of your government responsibilities?

The first official answered NO.....

And second official answered NO

Response by an official from the ministry of community development to what were the perceived benefits associated with participating in Village Banking micro-finance for the residents of Kaunda Square, Lusaka?

In response to inquiries regarding the perceived benefits associated with participating in Village Banking micro-finance for the residents of Kaunda Square, Lusaka, officials from the Ministry of Community Development and Social Services articulated their perspectives. The first official, deeply involved in community development, expressed genuine enthusiasm for the positive impact observed in communities like Kaunda Square. They emphasized the tangible reductions in poverty and increased access to financial services, such as loans and grants, facilitated by Village Banking initiatives. Notably, they highlighted the empowerment of individuals to invest in income-generating activities, such as mobile money shops and cooperatives for endeavors like fish farming. Furthermore, the enhancement of financial management skills, including budgeting and cash flow management, was underscored as a promising indicator for sustained economic growth and prosperity.

Building upon this, the second official highlighted the complementary role of initiatives like the Micro-credit schemes, such as the Livelihoods and Empowerment Support Schemes (LESS), and grants provided by the Ministry of Community Development for supporting village banking. They noted how these resources empower vulnerable women in communities to engage in village banking initiatives, thereby fostering economic growth. The officials collectively celebrated the remarkable sight of individuals utilizing these resources to invest in income-generating activities, ensuring smoother income streams and supporting livelihoods.

Response by an official from the ministry of community development on the question Are there any specific advantages or disadvantages you believe Village Banking offers to the community.

"When asked about the specific advantages or disadvantages believed to be associated with Village Banking for the community, officials from the Ministry of Community Development provided insightful perspectives. The first official, representing the Ministry, emphasized the numerous advantages they perceive Village Banking offers to communities like Kaunda Square. They highlighted the enhanced access to financial services, including savings and credit facilities, which empower individuals who previously lacked access to formal banking institutions. This not only contributes to poverty reduction but also fosters improved financial management skills among community members. Additionally, Village Banking creates entrepreneurial opportunities, stimulating economic growth and providing employment. However, they cautioned about potential challenges such as the need for adequate regulatory oversight to ensure fair practices and the risk of over-indebtedness if borrowers lack sufficient financial education. Despite these challenges, they concluded that the benefits outweigh the drawbacks, making Village Banking a valuable tool for socioeconomic development in Kaunda Square.

Building upon this, the second official offered their perspective, emphasizing the significant advantages Village Banking presents for communities like Kaunda Square, Lusaka. They highlighted how access to basic financial services empowers residents to manage their finances better and plan for the future, crucial for long-term economic stability. Moreover, the opportunity to invest in income-generating activities through Village Banking loans not only increases household earnings but also stimulates economic growth within the community. However, they acknowledged potential challenges such as loan defaults or limited financial education.

Nonetheless, they expressed confidence that with proper regulation and support, Village Banking can be a powerful tool for poverty reduction and economic empowerment in Kaunda Square.

Key informants (official 1 and official 2): ward community development office.

Response by officials from the ward community development office to, In your experience, what are the perceived benefits that residents of Kaunda Square, Lusaka associate with participating in Village Banking micro-finance? Please list the benefits you have observed or heard of.

In response to the inquiry about the perceived benefits associated with participating in Village Banking micro-finance for residents of Kaunda Square, Lusaka, insights from both respondents shed light on several key advantages. Official 1 emphasized that residents commonly highlight improved access to credit as a significant benefit. This access enables small-scale businesses, including barbershops, salons, and trading ventures, to expand their operations effectively. Furthermore, participants experience enhancements in their standard of living, enabling them to afford better education for their children and save for emergencies.

Building upon this, official 2 reinforced the notion of improved access to credit, particularly for small-scale businesses such as market stalls and mobile money vending. Additionally, they noted the formation of cooperatives for activities like fish farming among members of Village Banking micro-finance initiatives. Moreover, most participants are able to upgrade and renovate their equipment or shops, indicating tangible improvements in their businesses and livelihoods.

Response by officials from the ward committee development office to, have you noticed any specific advantages or disadvantages that participants in Village Banking micro-finance have experienced in terms of financial stability and social development?

In examining the specific advantages and disadvantages experienced by participants in Village Banking micro-finance concerning financial stability and social development, insights from both respondents illuminate key aspects of this dynamic.

Official 1 noted that participants have indeed experienced advantages such as improved financial stability resulting from access to credit. This empowerment enables individuals to invest in income-generating activities, such as expanding market stalls or upgrading business equipment, contributing to their economic resilience. However, challenges such as the risk of over-indebtedness have been observed. Instances of loan repayment difficulties can lead to financial stress and potential social repercussions, such as legal issues.

Building upon this, official 2 emphasized similar advantages, highlighting the enhanced financial stability facilitated by access to credit through Village Banking micro-finance initiatives. They provided an example of how a participant might utilize a loan to upgrade equipment for their barbershop, leading to improved service quality and increased revenue. Such investments contribute to both individual and community-level economic development.

4.3 Objective 2: Institutional Factors

Figure 12, depicts the accessibility of financial services provided by Village Banking within communities

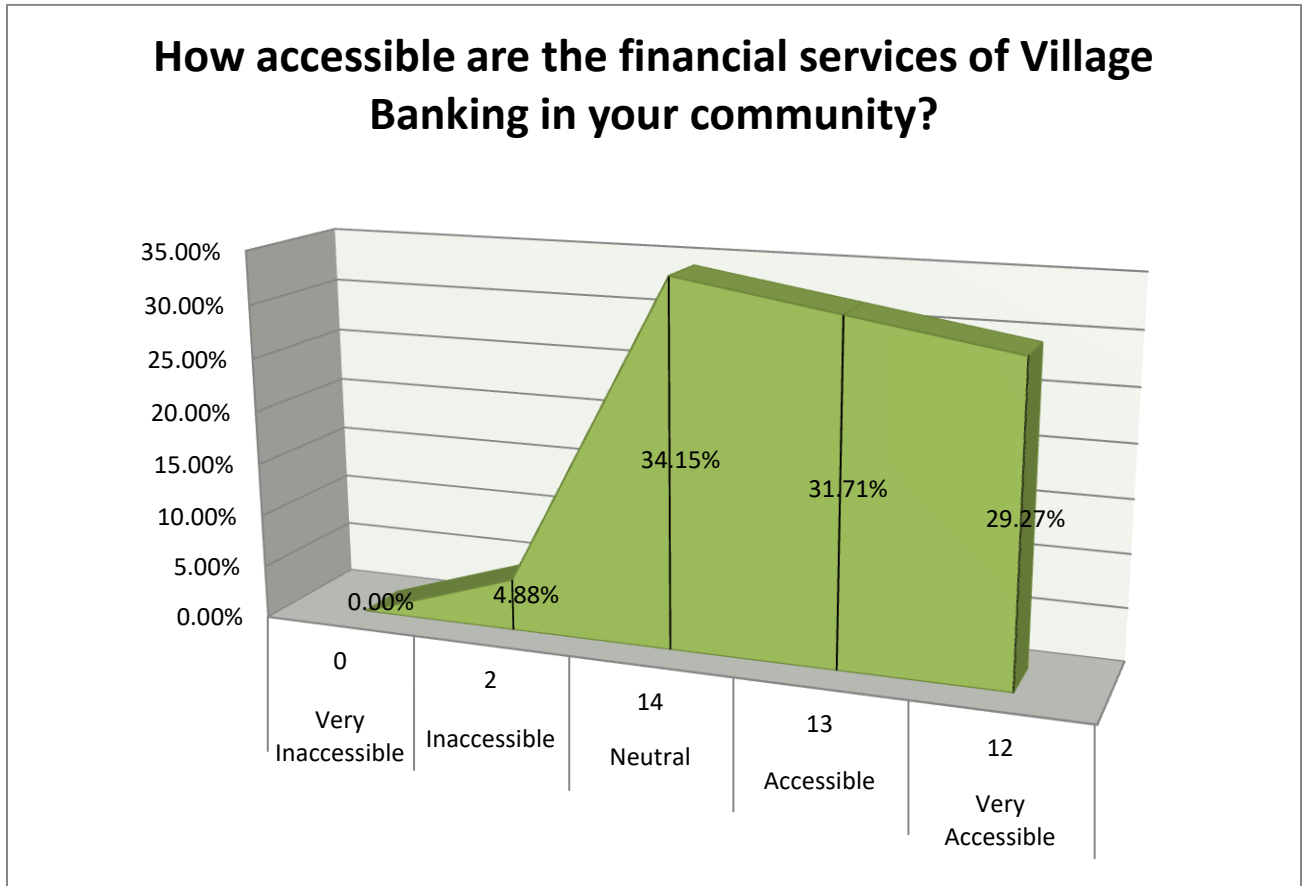


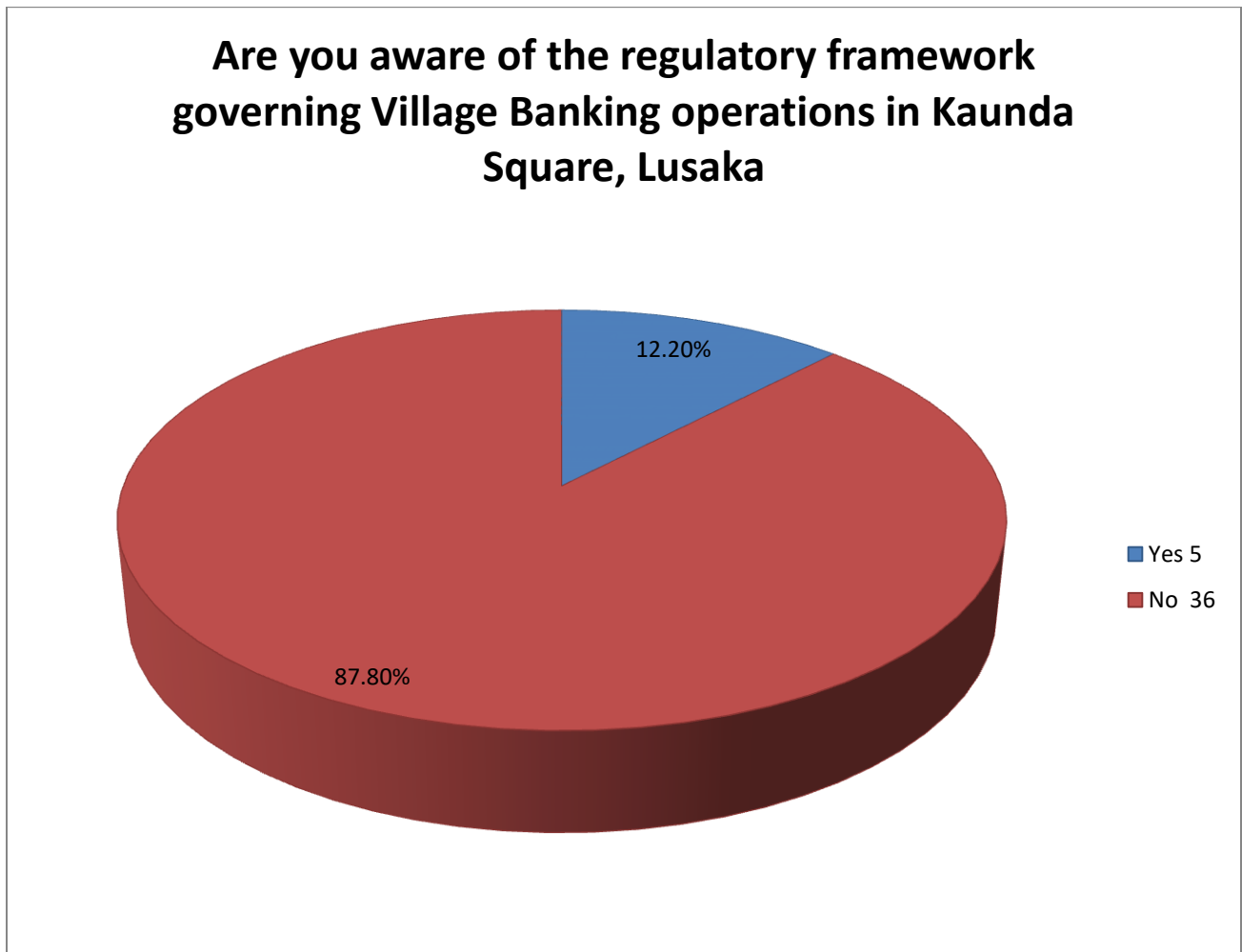
Figure 12, depicts the accessibility of financial services provided by Village Banking within communities. The responses gathered are categorized into different levels of accessibility, with each level corresponding to a specific percentage of respondents. Notably, the breakdown of responses is as follows:

Among the respondents, none reported Village Banking services to be "Very Inaccessible," representing 0.00% of the total. However, a small percentage, accounting for 4.88%, considered the services "Inaccessible," with 2 responses indicating such. The majority of respondents,

constituting 34.15% of the total, held a "Neutral" stance towards accessibility, with 14 responses falling under this category. Furthermore, 26.83% of respondents found the services to be "Accessible," contributing 11 responses. A significant portion, amounting to 29.27%, regarded Village Banking services as "Very Accessible," with 12 responses reflecting this sentiment.

Figure 13, illustrates the respondents awareness of the regulatory framework governing Village Banking operations in Kaunda Square.

Figure 14, Are you aware of the regulatory framework governing Village Banking operations in Kaunda Square, Lusaka?



In Figure 14, which is displayed above, data illustrates the responses to the question: "Are you aware of the regulatory framework governing Village Banking operations in Kaunda Square, Lusaka?" Among the respondents, 5 individuals, representing 12.20%, answered "Yes," indicating awareness of the regulatory framework. On the other hand, 36 respondents, accounting for 87.80%, answered "No," indicating a lack of awareness.

Figure 15, How satisfied are you with the governance structure of the Village Banking program in your community?

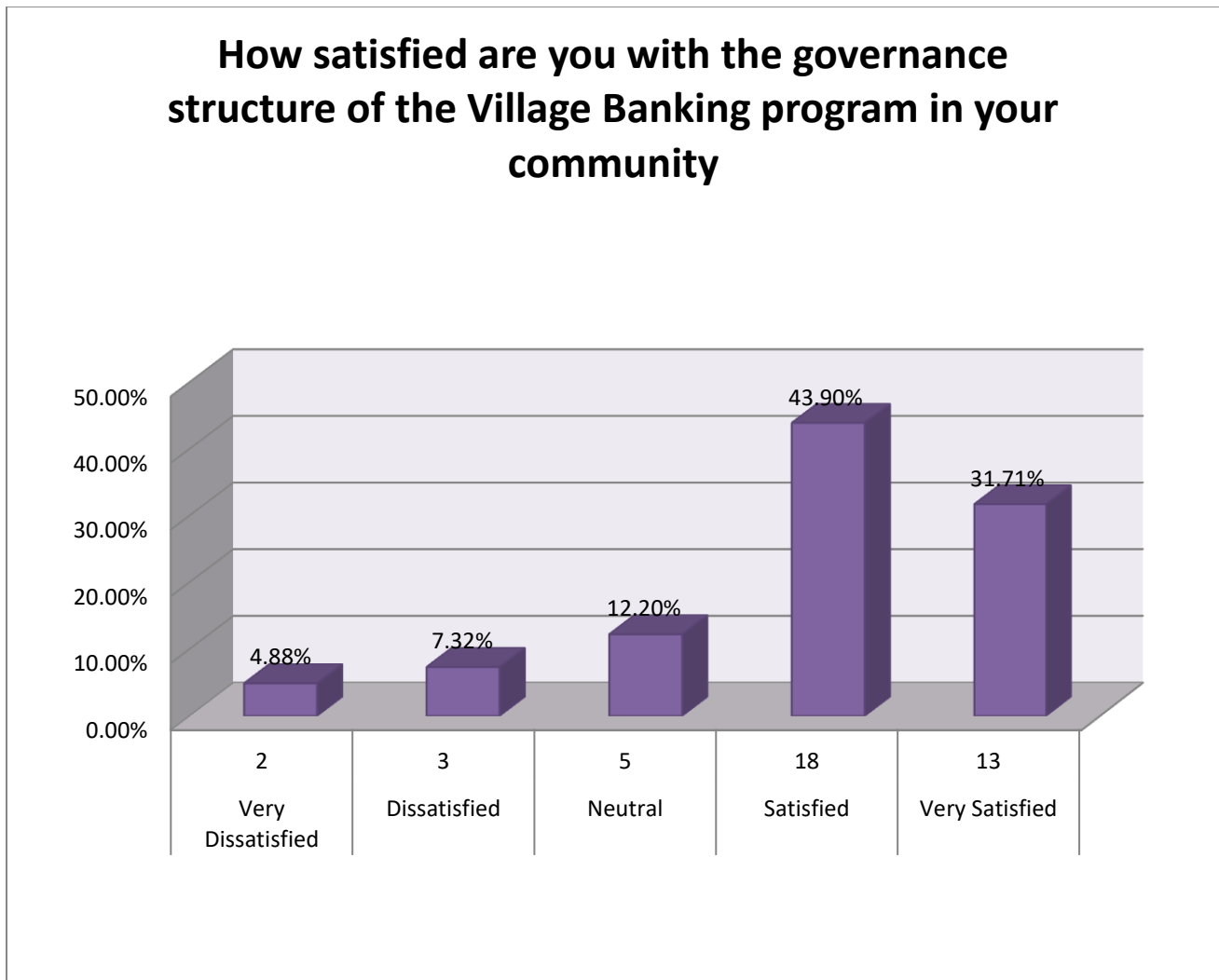
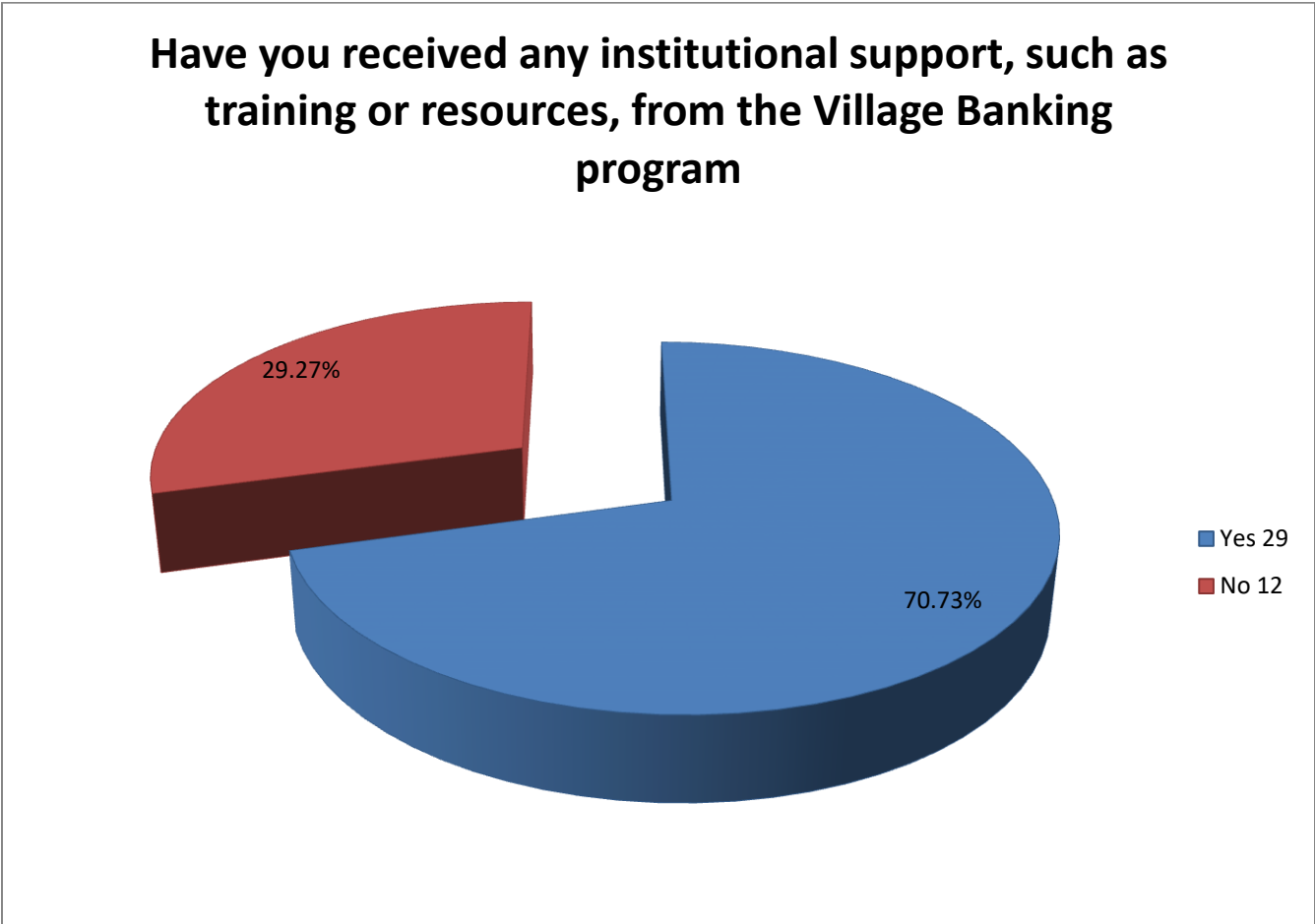


Figure 15, depicts the responses to the question: "How satisfied are you with the governance structure of the Village Banking program in your community?" The data is represented in terms of frequency and corresponding percentages. Very Dissatisfied respondents make up 2 individuals, constituting 4.88% of the total. Those who are Dissatisfied comprise 3 respondents, which represents 7.32%. Neutral responses account for 5 individuals, totaling 12.20%. Satisfied respondents are the highest in number, with 18 individuals, making up 43.90%. Very Satisfied respondents are 13 in number, constituting 31.71%.

Figure 16, Have you received any institutional support, such as training or resources, from the Village Banking program?



In Figure 16, displayed above, the data illustrates responses to the question: "Have you received any institutional support, such as training or resources, from the Village Banking program?" The responses are categorized into three options: "Yes," "No," and "Non-response." The frequency of responses for "Yes" is 29, which corresponds to 70.73% of the total responses. Conversely, for "No," there were 12 responses, representing 29.27% of the total.

Figure 17, Please rate the loan terms and conditions offered by Village Banking in terms of their fairness and convenience

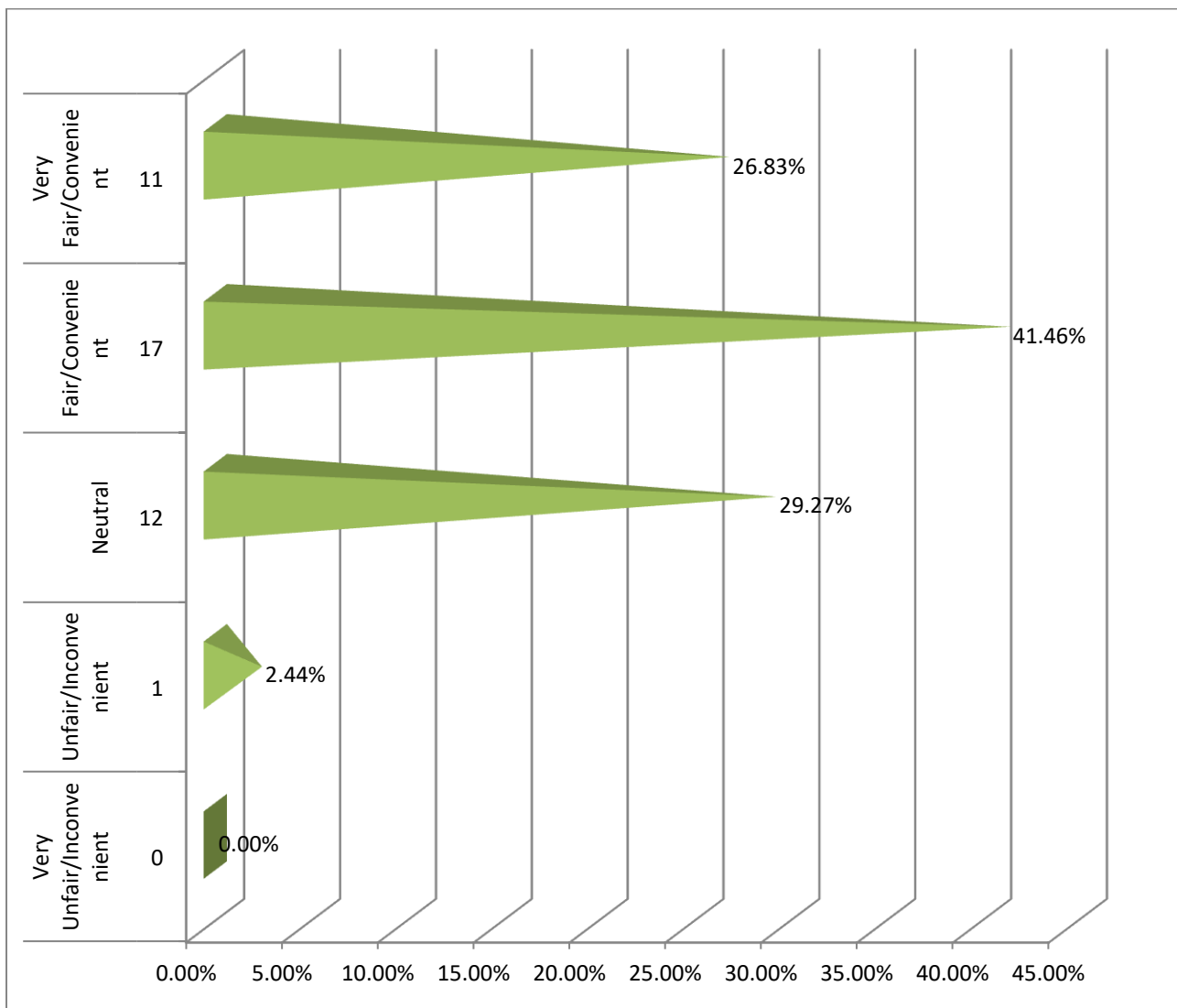


Figure 17, depicted above, presents the assessment of loan terms and conditions provided by Village Banking, focusing on their fairness and convenience. The assessment categories range from Very Unfair/Inconvenient to Very Fair/Convenient. Each category is assigned a numerical representation correlating to its percentage frequency within the responses. Very Unfair/Inconvenient is represented by 0, indicating 0% of respondents found the terms very unfair or inconvenient. Unfair/Inconvenient corresponds to 1, which represents 2.44% of respondents. Neutral, represented by 12, reflects 29.27% of respondents. Fair/Convenient, represented by 17, constitutes 41.46% of respondents. Very Fair/Convenient, represented by 11, encompasses 26.83% of respondents.

Key informants (first official and second official): ministry of community development and social services.

Responses to: From a government perspective, what institutional factors facilitate or hinder participation in Village Banking micro-finance in Kaunda Square, Lusaka?

When queried about the institutional factors that facilitate or hinder participation in Village Banking micro-finance in Kaunda Square, Lusaka, insights from government officials shed light on key considerations.

The first government official underscored the institutional factors that facilitate participation in Village Banking micro-finance initiatives. They highlighted the government's emphasis on transparency, accountability, and consumer protection through regulatory frameworks, ensuring fairness for all involved. Collaborative partnerships with local micro-finance institutions were also noted as instrumental in effective program delivery and outreach. However, the official acknowledged challenges such as limited financial literacy as constraints, which can act as

barriers to participation. They emphasized the importance of ongoing capacity building and targeted interventions to address these obstacles, exemplified by initiatives like those by the Churches Health Association of Zambia (CHAZ) and the Rural Finance Expansion Programme aimed at digitalizing Village Banking services to enhance accessibility and efficiency.

Building upon this, the second government official expressed pride in the government's efforts to promote financial inclusion, recognizing the importance of Village Banking initiatives in community development. Despite the absence of specific regulations by the bank of Zambia guiding these initiative Although not directly regulated by the Bank of Zambia (BoZ), these groups are acknowledged for their significant contribution to local economies, the ministry acknowledges their role in transitioning members into formal financial services, aligning with national goals outlined in the National Financial Inclusion Strategy. However, challenges persist, particularly in financial literacy and infrastructure. Limited understanding of financial concepts and inadequate facilities hinder full participation, especially among vulnerable groups.

Reponses to: Do government policies and regulations support or hinder the development of community-based micro-finance programs like Village Banking in your jurisdiction?

When discussing the government's support for community-based micro-finance programs like Village Banking, the first official highlighted the meticulous design of policies aimed at bolstering such initiatives. They emphasized the pivotal role of informal savings groups, particularly for women, serving as an entry point to financial services. This aligns with the National Financial Sector Development Policy and the National Financial Inclusion Strategy, recognizing the importance of linking informal groups to formal financial institutions. The

official noted that linking these groups to formal institutions could enhance fund safety, expand borrowing options, and improve financial capability among members.

Similarly, the second official reiterated government support, emphasizing strategic partnerships with local institutions and transparent regulatory frameworks. The government's commitment to transparency and accountability ensures fair treatment of participants. They also stressed capacity-building initiatives, including entrepreneurship training and micro-credit schemes, as vital for community empowerment. Notably, initiatives like digitalizing village banking services showcase a proactive approach to modernizing financial inclusion. These policies reflect the government's dedication to fostering inclusive economic growth and financial empowerment at the grassroots level.

Key informants (official 1 and official 2): ward community development office.

Responses to, can you describe the institutional support provided by the Village Banking program in Kaunda Square, Lusaka?

Official 1 highlighted the comprehensive institutional support for the Village Banking program in Kaunda Square, with regulatory frameworks enforced at the community ward development office level. These regulations ensure compliance with financial standards agreed upon by ward officers and stakeholders. Banking services, including group treasurers, are conveniently located within the community and primarily operated digitally using mobile money services. Regular training sessions enhance participants' financial literacy, and resources such as financial loan terms are flexible to accommodate participants' socio-economic context.

Similarly, Official 2 emphasized the evident institutional support for the Village Banking program in Kaunda Square, Lusaka. Stringent regulations through their offices ensure the

program operates with financial integrity, safeguarding participants' interests. Accessibility is prioritized, with banking facilities conveniently located within the community for easy access. The provision of flexible loan terms is exemplified by recent cases, where loans are tailored to individuals' needs, such as seasonal business cycles, enabling sustainable business growth while effectively managing cash flow.

Responses to Are there any challenges or barriers within the Village Banking program that you believe may hinder participation? Please specify.

Official 1 noted limited financial literacy among some residents as a challenge, exemplified by a market vendor struggling to save and expand their business due to this lack of knowledge. Additionally, the absence of national regulatory frameworks for village banking systems poses barriers. Overcoming these hurdles requires tailored financial education and mobile banking options for accessibility.

Official 2 highlighted the challenge of establishing reliable online infrastructure for efficient monitoring and approval of payments within the Village Banking program. Without proper online systems, there might be delays or inaccuracies in transactions recording, leading to mistrust. Investing in robust online platforms and transparent communication about loan processes can address this challenge and foster trust within the community.

Responses to In your opinion, how can the Village Banking program in Kaunda Square improve institutional support to encourage greater participation?

Official 1 suggests that enhancing institutional support for the Village Banking program in Kaunda Square could significantly increase participation. This can be achieved through investing in comprehensive financial education initiatives tailored to the community's needs, raising awareness of the program's benefits. Additionally, improving accessibility via mobile banking options and community outreach efforts ensures equitable access to banking services for all residents.

Official 2 proposes several strategies to enhance institutional support for the Village Banking program. Regular financial literacy workshops and tailored awareness campaigns can demystify financial concepts and highlight the program's benefits. Leveraging technology, such as offering mobile banking services and user-friendly online platforms, can broaden the program's reach. Furthermore, forging partnerships with local stakeholders, including government agencies and NGOs, can provide additional resources and support to sustain and expand the program's impact over time.

4.4 Objective: Socio-Economic Characteristics

Figure 18, Which ethnic or racial group do you belong to?

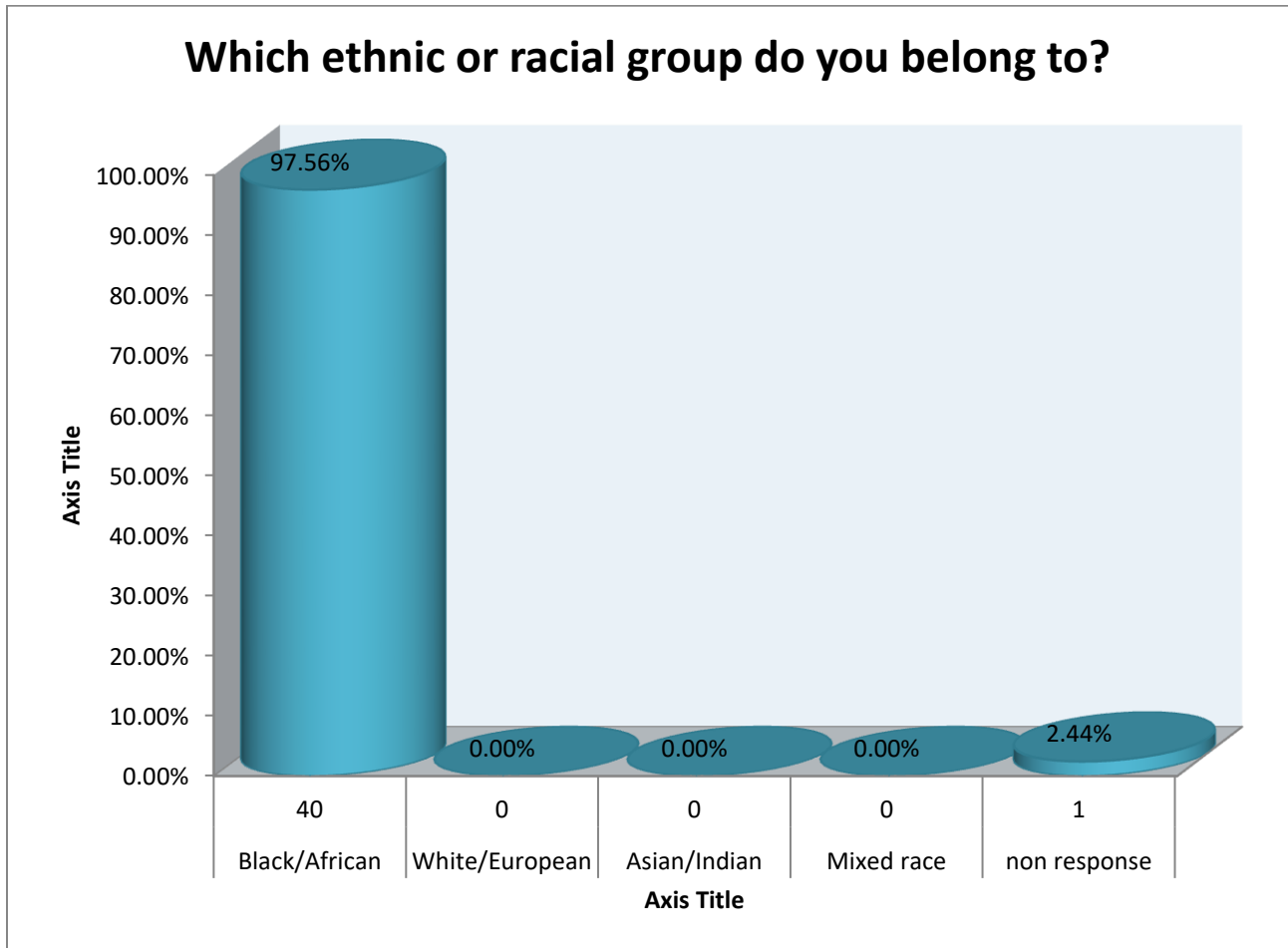


Figure 18, displayed above, illustrates the distribution of responses to the question, "Which ethnic or racial group do you belong to?" Among the respondents, 40 individuals identified as Black/African, constituting 97.56% of the total. In contrast, there were no respondents who identified as White/European, Asian/Indian, or Mixed race, each representing 0.00%. Additionally, one respondent chose not to provide a response, accounting for 2.44% of the total.

Figure 19 the religious affiliation of participants

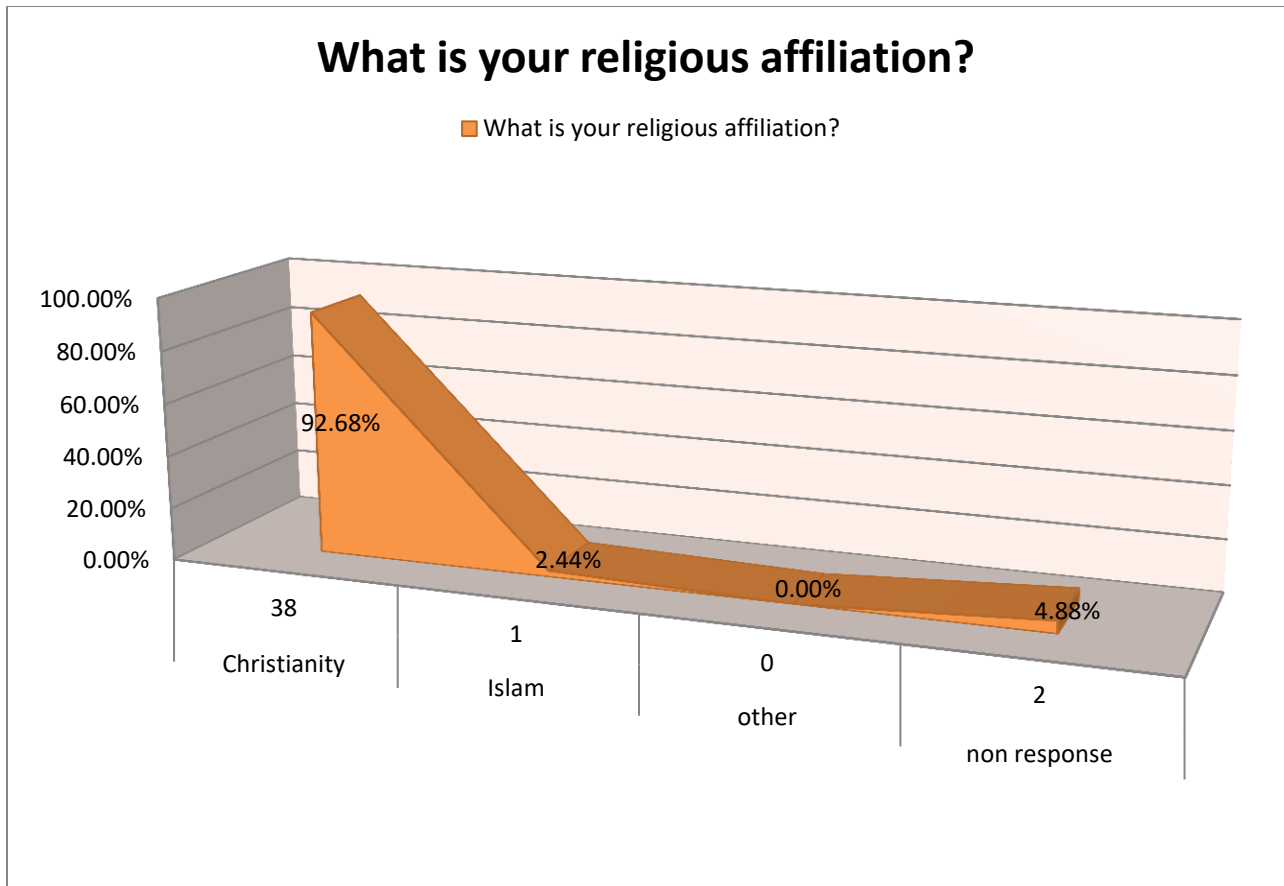
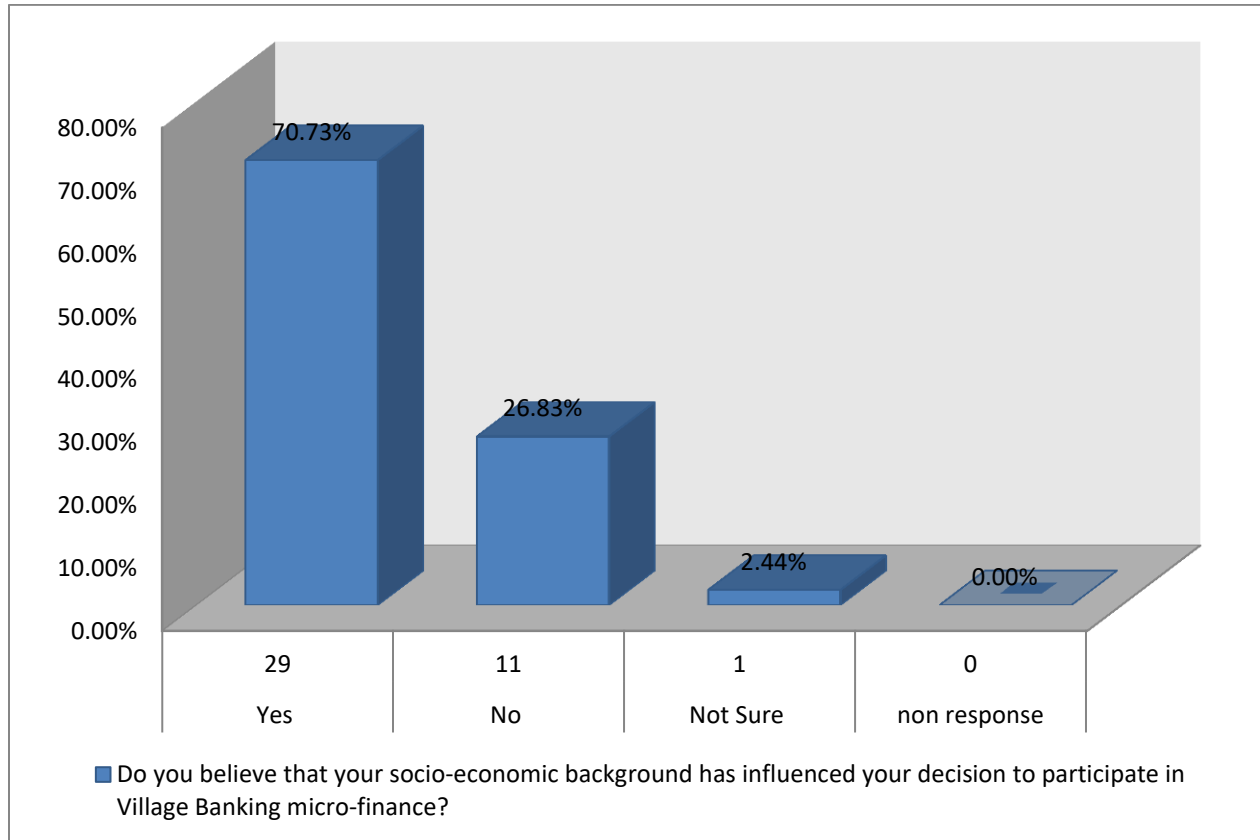


Figure 19, illustrates the religious affiliation of participants in the research on factors impacting participation in Village Banking Micro-Finance in Kaunda Square, Lusaka. Among the respondents, 38 individuals identified as Christian, constituting 92.68% of the total participants. Only 1 respondent, representing 2.44%, identified as Muslim. There were no respondents classified under the category of 'Other,' accounting for 0.00% of the participants. Additionally, 2 respondents chose not to disclose their religious affiliation, making up 4.88% of the total.

Figure 20, Do you believe that your socio-economic background has influenced your decision to participate in Village Banking micro-finance.



In Figure 20, depicted above, data regarding participants' perceptions of whether their socio-economic backgrounds influenced their decision to engage in Village Banking micro-finance is presented. Out of the respondents, 29 individuals, representing 70.73% of the total, answered "Yes" indicating they believe their socio-economic backgrounds did influence their decision. Conversely, 11 respondents, constituting 26.83%, answered "No," implying they don't believe their socio-economic backgrounds played a role. Only 1 respondent, representing 2.44%, answered "Not Sure." Additionally, there was one non-response, representing 0.00% of the total respondents.

Figure 21, How many years have you been living in Kaunda Square, Lusaka.

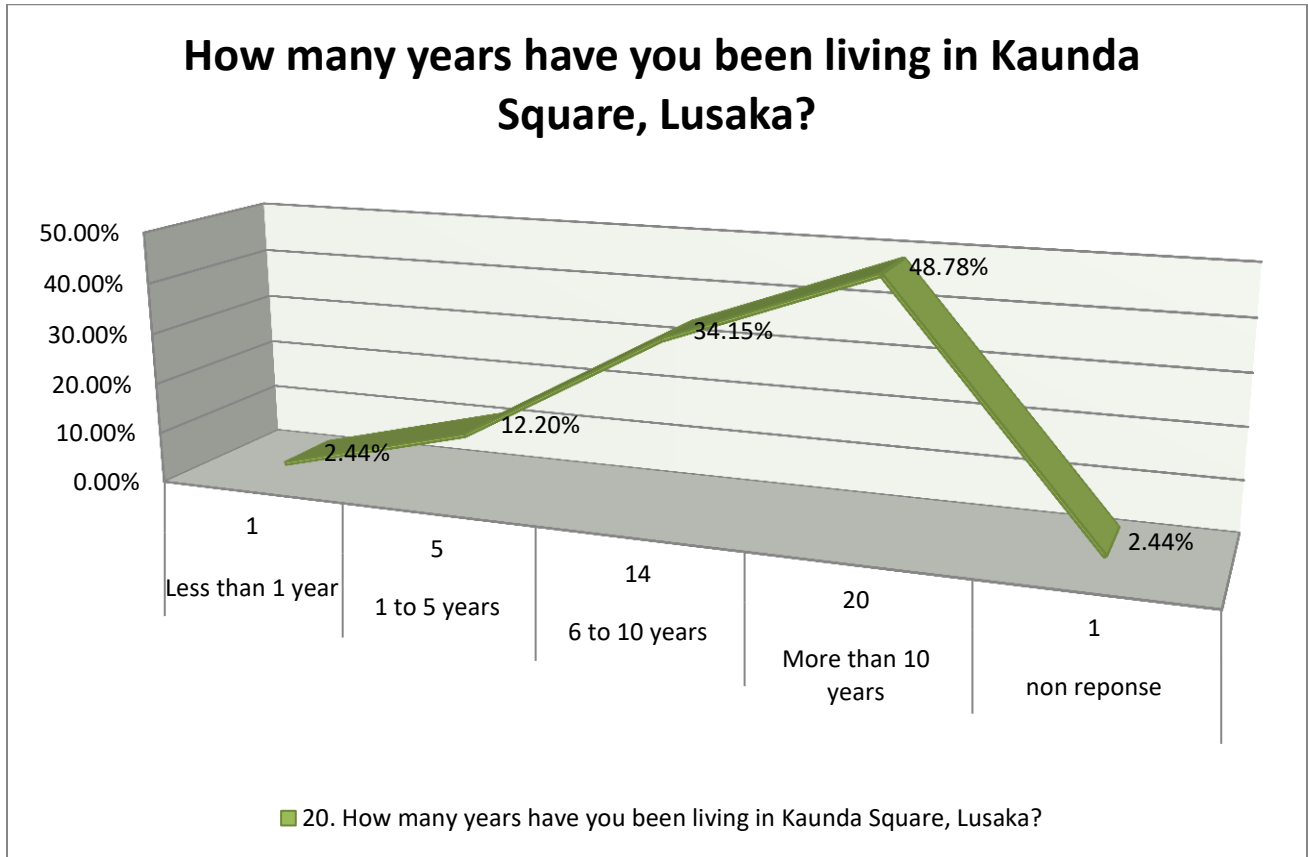


Figure 21, depicts the distribution of respondents based on the number of years they have been residing in Kaunda Square, Lusaka. Among the respondents, 1 (representing 2.44%) reported living in the area for less than 1 year. Additionally, 5 respondents (12.20%) indicated living in Kaunda Square for 1 to 5 years. Moreover, 14 respondents (34.15%) reported residing in the area for 6 to 10 years. The majority of respondents, 20 (48.78%), stated they have been living in Kaunda Square for more than 10 years. One respondent (2.44%) did not provide a response regarding their duration of residence.

Table 2 shows responses to How did you first learn about Village Banking in your community?

How did you first learn about Village Banking in your community?	Frequency	Valid Percent	Cumulative Percent
Word of Mouth	13	32%	32%
Flyers/Posters	1	2%	34%
Community meetings	5	12%	46%
Local newspapers or newsletters	4	10%	56%
Social media platforms	9	22%	78%
Local radio stations	2	5%	83%
Religious institutions (churches, mosques, etc.) announcements	6	15%	98%
Community development organizations or NGOs working in the area	1	2%	100%
Total	41	100%	-

Table 2 above shows, the data on how participants first learned about Village Banking in their community reveals that the most common source of information was word of mouth, accounting for 13 responses, constituting 32% of the total. This was followed by social media platforms,

with 9 responses, making up 22% of the total. Community meetings and religious institutions' announcements each garnered 5 and 6 responses, representing 12% and 15% of the total, respectively. Local newspapers or newsletters accounted for 4 responses (10%), while local radio stations and flyers/posters had 2 and 1 response(s), constituting 5% and 2% of the total, respectively. Only 1 respondent mentioned community development organizations or NGOs working in the area as their source of information, representing 2% of the total.

Key informants (first official and second official): ministry of community development and social services.

Responses to, in your experience, what are the common socio-economic characteristics of households participating in Village Banking micro-finance in Kaunda Square, Lusaka

When asked about the common socio-economic characteristics of households participating in Village Banking micro-finance in Kaunda Square, Lusaka, officials provided insights into the resilience and vulnerability prevalent in these communities.

The first official highlighted that households engaged in Village Banking micro-finance in Kaunda Square often hail from marginalized backgrounds, facing socio-economic challenges such as low income and limited access to formal financial services. Despite these hurdles, these households exhibit strong community cohesion and entrepreneurial spirit. Through tight-knit networks, they pool resources to tackle financial hardships, utilizing Village Banking as a proactive avenue to invest in income-generating ventures and alleviate poverty.

Expanding on this perspective, the second official noted that households in Kaunda Square participating in Village Banking reflect both vulnerability and resilience. These households, often marginalized, rely on informal economic activities due to limited access to formal

institutions and employment opportunities. However, they demonstrate solidarity and community engagement, leveraging Village Banking to access financial resources for entrepreneurial endeavors. Their determination for socio-economic empowerment underscores the pivotal role of Village Banking in fostering resilience and prosperity within marginalized communities like Kaunda Square.

Responses to, Are there government initiatives or programs that aim to address the socio-economic challenges faced by the participants of Village Banking in Kaunda Square.

When questioned about government initiatives for addressing socio-economic challenges in Kaunda Square's Village Banking, both officials provided insights into ongoing efforts.

The first official, from the Ministry of Community Development and Social Services, highlighted programs such as grants and collateral-free loans for vulnerable women through the Micro-credit scheme. These funds enable investment in village banking, fostering financial inclusion and empowerment. Capacity-building focuses on entrepreneurship skills for women's groups,

Similarly, the second official reaffirmed the ministry's commitment to Village Banking, by efforts to collaborate with organizations such as the Churches Health Association Zambia (CHAZ) and Rural Finance Expansion Programme (RUFEP) to drive digitalization efforts, empowering groups with mobile platforms. Ongoing entrepreneurship training enhances financial literacy. The ministry addresses challenges like excess funds by promoting digital financial management, aiming to deepen inclusion and improve livelihoods communities like in Kaunda Square.

Key informants (official 1 and official 2): ward community development office.

Responses to, Based on your interactions, what are the common socio-economic characteristics of households that actively participate in Village Banking micro-finance in Kaunda Square?

Official 1 responded that based on the interactions observed, households that actively participate in Village Banking in this community exhibit several common socio-economic characteristics. Firstly, there is a significant representation of female members constituting the majority compared to males. Additionally, participants span various age groups, with most falling within the 25-55 age range. Education levels among participants vary, most of which have secondary school education, where from the income perspective a substantial portion earn less than k10,000 per month, suggesting a reliance on micro-enterprises and informal economic activities for livelihoods within the community.

Official 2 further added that it is important to recognize that a substantial proportion of participants have moderate to low household incomes of which a majority women, offering tailored financial products and services that cater to their specific needs, such as micro-loans with flexible repayment terms, could incentivize greater engagement. For example, a single mother running a small grocery store could benefit from micro-loans to expand her business.

Responses to, Are there specific challenges faced by households with particular socio-economic characteristics when it comes to participating in Village Banking?

Official 1 said “Households with specific socio-economic characteristics face unique challenges in Village Banking. For example, lower education levels hinder financial understanding, while limited technological access complicates online banking use. Additionally, lower-income households struggle with savings and credit access. Women-led households balance household

duties with entrepreneurial pursuits, impacting participation. Tailored interventions like financial education and accessible banking tech are vital for inclusivity.”

While official 2 added that certain households encounter distinct challenges in Village Banking. Lower education levels hinder financial management, and irregular incomes complicate savings and loan repayments. In Kaunda Square, a family with irregular incomes struggles due to financial skills deficits. Moreover, societal expectations limit women's entrepreneurial involvement. Addressing these issues requires tailored solutions, including financial education and challenging societal norms for equitable access to Village Banking.

4.5 Government Support

Key informants (first official and second official): ministry of community development and social service.

Responses to, How has the government supported or collaborated with Village Banking programs in Kaunda Square, Lusaka, to enhance their effectiveness and reach?

When asked about government support for Village Banking programs in Kaunda Square, Lusaka, the first official highlighted multifaceted collaboration with local micro-finance institutions. They ensured transparent frameworks, regulatory guidance, and logistical support for operational capacity. Significant investment in capacity building aimed to empower stakeholders. Rigorous monitoring ensured alignment with broader objectives of inclusive economic growth and poverty alleviation.

The second official emphasized collaboration's focus on fostering financial inclusion and empowering grassroots communities. Facilitated partnerships extended beyond financial support to include regulatory guidance and technical assistance. Capacity building efforts equipped stakeholders with necessary skills. Emphasis on localizing solutions aimed to address unique financial challenges. Through nurturing partnerships and promoting innovation, inclusive economic development and livelihood improvement were targeted within the community.

Responses to, what, in your opinion, could be done to improve government support for community-based micro-finance initiatives like Village Banking.

When asked about improving government support for micro-finance initiatives like Village Banking, Ministry of Community Development officials outlined key strategies.

First official emphasized fostering partnerships with local micro-finance institutions and leveraging initiatives like the Micro-credit scheme to ensure efficient service delivery. Strengthening regulatory frameworks for transparency and accountability in Village Banking operations is also a priority.

Second official stressed enhancing transparency and accountability, building on existing empowerment programs, and collaborating with partners like Churches Association of Zambia (CHAZ) and ZANACO to advance Village Banking. Digitalizing services can improve efficiency, while regulatory oversight ensures compliance and safeguards participants' interests. These measures aim to foster a conducive environment for sustainable micro-finance initiatives, promoting inclusive economic growth in communities like Kaunda Square.

4.6 Challenges and Solutions:

Key informants (first official and second official): ministry of community development and social service.

Responses to, From your perspective, what are the major challenges faced by Village Banking programs in Kaunda Square, Lusaka, and how can these challenges be addressed by government agencies.

When discussing the challenges faced by Village Banking programs in Kaunda Square, Lusaka, and government agencies' potential responses, Ministry of Community Development officials highlighted key issues and solutions.

The first official noted limited credit access for small-scale urban entrepreneurs, proposing collaboration with financial institutions to introduce tailored loan products. Enhancing digital financial services like mobile banking and online applications could streamline lending processes for urban residents.

Similarly, the second official emphasized residents' lack of trust and awareness in formal financial institutions and Village Banking initiatives. To address this, government agencies could conduct public awareness campaigns and strengthen the regulatory framework for microfinance institutions. These measures aim to promote financial inclusion and empower urban communities in Kaunda Square, Lusaka.

Responses to, Do you believe that government involvement is essential for the success of community-based micro-finance programs like Village Banking? If so, how can this involvement be enhanced.

When asked about the importance of government involvement in community-based micro-finance programs like Village Banking, both officials emphasized its indispensability.

First official highlighted the crucial role of government in providing regulatory frameworks, partnerships with micro-finance institutions, and facilitating community initiatives. They stressed the need for continued support, capacity building, and proactive monitoring and evaluation to empower communities and foster sustainable economic growth.

Similarly, the second official underscored the government's vital role in fostering partnerships, facilitating initiatives, and ensuring transparency and accountability. They emphasized the importance of investing in capacity building, consumer protection measures, and data-driven monitoring and evaluation to promote financial inclusion and economic empowerment within communities like Kaunda Square.

CHAPTER FIVE

Discussion of findings

5.0 introduction

This chapter discusses the findings in chapter four in line with the objectives; the chapter is divided into objectives such as; social demographic characteristics; Perceived Benefits institutional factors as well challenges and government support for village banking.

5.1 Social Demographic Characteristics

5.1.1 Gender Distribution

The research findings revealing a higher participation rate among females in the Village Banking program aligning with broader literature on microfinance participation, which frequently underscores the substantial involvement of women in such initiatives, particularly in African contexts (Demirgüç-Kunt & Klapper, 2012; Nakinai et al., 2011). Women's active engagement in microfinance is often attributed to their pivotal role in managing household finances and their perceived reliability as borrowers (Musinguzi, 2016). However, this trend contrasts with studies indicating male dominance in certain microfinance contexts (Ahmed et al., 2020; Jombo & Wytone, 2022), highlighting the nuanced gender dynamics that influence participation in financial inclusion programs like Village Banking.

5.1.2 Age Distribution

The age distribution of participants in the study reflects a diverse range of age groups engaging with Village Banking micro-finance programs. This finding corresponds with studies that suggest microfinance programs attract participants from various age brackets, indicating their relevance across different life stages (Gebreeyesus & Mohnen, 2013).

5.1.3 Educational Attainment

The educational attainment of participants, with a notable proportion having completed secondary school or higher education, suggests that Village Banking micro-finance programs attract individuals with varying levels of education. This finding is consistent with research indicating that education can influence financial behavior and access to formal financial services

(Twumasi et al., 2021). However the absence of participants with no formal education contradicts challenges faced by individuals with lower educational attainment in accessing microfinance services (Ahmed et al., 2020).

5.1.4 Marital Status

The predominance of married individuals as the largest participant group in the study, followed by single individuals, underscores the significance of family dynamics and social networks in shaping participation in microfinance programs, as noted in existing literature (Mutenje, 2017). However, the relatively low proportion of single participants and the absence of non-responses contradict studies suggesting that marital status has minimal influence on microfinance participation (Jombo & Wytone, 2022), highlighting potential variations in how socio-demographic factors interact with community-specific contexts to affect engagement in financial initiatives like Village Banking.

5.1.5 Household Income

The revelation that the majority of participants have a household income of less than \$100 per month underscores a predominantly low-income demographic within the Village Banking program. This aligns with existing research suggesting that microfinance programs frequently aim to serve individuals from economically disadvantaged backgrounds (Kaloo, 2016), highlighting the importance of tailored financial solutions to uplift communities facing financial constraints like those in Kaunda Square, Lusaka.

5.1.6 Occupation

The occupational distribution of participants, notably with a significant proportion engaged in self-employment or formal employment, mirrors the diverse economic landscape within the community. This observation resonates with prior research highlighting the pivotal role of entrepreneurship and participation in the informal sector in the success of microfinance programs (Mwansakilwa et al., 2017), underscoring the importance of tailoring financial services to the specific needs and realities of diverse economic actors within communities like Kaunda Square in Lusaka.

5.1.7 Family Size

Understanding the typical household structures in the community, where the majority of families consist of 4 to 6 members, sheds light on how family size can indirectly influence financial decision-making and resource allocation within households, potentially affecting participation in microfinance programs. This aspect, though not explicitly discussed in the literature reviewed, underscores the importance of considering familial dynamics in the design and implementation of community-based financial initiatives like village banking.

5.2 Objective 1: Perceived Benefits

5.2.1 Impact of participating in Village Banking micro-finance

Based on the provided findings, it's evident that the impact of participating in Village Banking micro-finance on individuals' financial situations is multi-faceted. A significant portion of respondents, comprising 56.10% (43.90% agreed + 12.20% strongly agreed), perceive that participating in Village Banking has improved their financial situation. This finding is consistent with studies emphasizing the positive impact of microfinance programs on participants' financial situations, such as Kusam (2010), which highlights the role of microfinance in poverty alleviation and economic growth. This alignment with existing literature suggests that a majority of participants view their involvement in Village Banking positively in terms of their financial well-being. Approximately 21.95% of respondents remained neutral regarding the impact of Village Banking on their financial situation. While this group neither strongly agrees nor disagrees, their neutrality still provides valuable insights. It could suggest that for some participants, the impact of Village Banking on their financial situation may not be significant, or they may require more time or information to evaluate its effects.

About 19.51% of respondents expressed disagreement with the statement that participating in Village Banking had improved their financial situation. This minority viewpoint contradicts the prevailing narrative in some literature, such as Mwansakilwa et al. (2017), which emphasizes the positive effects of participation in Village Savings and Loans Associations (VSLAs) on household consumption expenditure.

5.2.2 Perception of Village Banking micro-finance

The findings regarding the perception of Village Banking micro-finance reveal a generally positive sentiment towards its reliability and effectiveness as a method for saving money and obtaining loans. Studies such as Hapompwe et al. (2021) and Mwaka Sinkala (2020), which highlight the benefits reported by participants in Village Banking programs confirm with these findings. Among the respondents, 0 individuals (0.00%) strongly disagree, while 2 respondents (4.88%) disagree with the effectiveness of Village Banking micro-finance. In contrast, 13 individuals (31.71%) remain neutral on the matter, consistent with studies that acknowledge varying levels of neutrality or indecision among participants, such as Mwansakilwa et al. (2017), which emphasizes the importance of considering diverse perspectives.

However, a significant portion of participants, 17 individuals (41.46%), agree with the efficacy of this financial approach, and 9 individuals (21.95%) strongly agree with it. This distribution of responses demonstrates that a majority of participants perceive Village Banking as a dependable and trustworthy financial option, consistent with studies emphasizing the positive perceptions of Village Banking among participants, such as Nalungwe (2018) and Mwaka Sinkala (2020). This aligns well with the objective of assessing perceived benefits, indicating that participants who view Village Banking as reliable likely see it as a secure way to save money and access loans, thereby contributing to their financial stability. Additionally, while a notable proportion of respondents remain neutral on the effectiveness of Village Banking, their perspectives offer valuable insights into areas where improvements or clarifications may be needed to better meet community needs, consistent with studies advocating for understanding and addressing the concerns or uncertainties of participants, such as Rau (2017) and Twumasi et al. (2021).

Furthermore, the low percentage of respondents who disagree or strongly disagree with the effectiveness of Village Banking suggests that the majority of participants do not perceive significant drawbacks or disadvantages associated with it. Overall, these findings suggest that participation in Village Banking micro-finance offers tangible benefits to the community of Kaunda Square, including improved financial access and security.

5.2.3 Impact of Village Banking micro-finance on the economic development of the respondent's community

The findings from this study reveal a diverse range of perceptions within the community. For instance, among the respondents, while no individuals strongly disagreed with the statement, 5 respondents (12.20%) disagreed, and 11 individuals (26.83%) expressed a neutral stance. Conversely, 16 respondents (39.02%) agreed, and 8 individuals (19.51%) strongly agreed with the statement, indicating a prevalent belief among participants that their involvement in micro-finance initiatives has contributed to the community's economic growth. These observations echo the findings of prior studies emphasizing the importance of considering diverse perspectives within communities participating in microfinance programs. Rau (2017) and Twumasi et al. (2021) argue that understanding these diverse viewpoints is crucial for the success of microfinance initiatives.

Additionally, the presence of varying levels of disagreement or skepticism among participants is amplified by studies such as Mwansakilwa et al. (2017), who noted similar trends in their research. Furthermore, the positive perceptions of microfinance initiatives among participants align with the findings of studies by Nalungwe (2018) and Mwaka Sinkala (2020), which highlight the beneficial effects of microfinance on economic development. Similarly, Khan et al. (2019) and Mwansakilwa et al. (2017) found overall positive perceptions of microfinance programs among participants in their studies. These observations underscore the importance of understanding and addressing the diverse perceptions within the community to optimize the effectiveness of micro-finance initiatives in promoting economic development in Kaunda Square, Lusaka.

5.2.4 Awareness on the Village Banking micro-finance program in Kaunda Square, Lusaka.

The awareness of the Village Banking micro-finance program in Kaunda Square, Lusaka, among key informants from the Ministry of Community Development and Social Services suggests a notable level of visibility and recognition within local government or relevant administrative bodies. This finding corresponds with the significance of institutional support and recognition underscored in various studies. For instance, Kabeer (2005) emphasizes the pivotal role of

governmental and institutional support in the success of microfinance initiatives. It is crucial because it indicates that the micro-finance program is not operating in isolation but rather is acknowledged and potentially supported by government authorities responsible for community development and social services. This awareness may pave the way for collaboration between the micro-finance program and government agencies, fostering increased support, resources, and legitimacy for the program. This alignment with literature highlights the importance of collaboration between microfinance programs and governmental or institutional bodies for their effectiveness and sustainability. Studies such as Rau (2017) emphasize the impact of social networks and institutional support on financial decisions in microfinance institutions, further emphasizing the significance of such partnerships.

5.2.5 Involvement in Village Banking initiatives in Kaunda Square as part of government responsibilities

It appears that neither of the key informants from the Ministry of Community Development and Social Services has been directly involved in Village Banking initiatives in Kaunda Square, Lusaka, as part of their government responsibilities. This contradicts the expectation of institutional involvement and support highlighted in studies such as Rau (2017), which emphasizes the importance of governmental or institutional backing for microfinance initiatives. While this finding may indicate a lack of direct involvement by these officials, it doesn't necessarily imply a lack of support or interest from the government in micro-finance initiatives like Village Banking. There could be various reasons for their lack of involvement, such as the delegation of responsibilities to other departments or agencies, limited resources, or a focus on other priority areas within their mandate. This corresponds with the complexities and challenges associated with governmental involvement in microfinance initiatives discussed in various studies, such as Armendariz and Morduch (2010), which highlight institutional constraints and competing priorities.

However, it's important to note that the absence of direct involvement by government officials doesn't necessarily undermine the significance or effectiveness of Village Banking initiatives. Many micro-finance programs operate successfully with support from local communities, non-governmental organizations, and other stakeholders, even in the absence of direct government

involvement. The researcher suggests that moving forward, this finding could serve as an opportunity for the Village Banking program to engage with government officials and explore potential avenues for collaboration, resource mobilization, or policy advocacy. By demonstrating the program's impact, aligning its objectives with broader development goals, and highlighting areas where government support could enhance effectiveness, the program may be able to foster greater engagement and partnership with government agencies in the future. This partially aligns with literature, reflecting the potential for microfinance programs to operate independently or with support from other stakeholders, as discussed in studies like Kabeer (2005), which emphasizes the role of community-based organizations and local initiatives in microfinance.

5.2.6 Perceived benefits associate with participating in Village Banking micro-finance

The inquiry into the perceived benefits of participating in Village Banking reveals several significant advantages. Notably, residents benefit from improved access to credit, particularly for small-scale businesses such as barbershops, salons, and trading ventures, as highlighted by both officials. This access enables them to effectively expand operations and make tangible improvements to their businesses, such as upgrading equipment or renovating shops. Moreover, the enhanced access to credit has broader implications for residents' standard of living, enabling them to afford better education for their children and save for emergencies. Additionally, the formation of cooperatives among members of Village Banking micro-finance initiatives, particularly for activities like fish farming, suggests a trend toward community collaboration and diversification of economic activities. These findings collectively underscore the positive socio-economic impact of Village Banking micro-finance on individual households and community development in Kaunda Square, Lusaka, as emphasized by Hulme and Mosley (1996) who emphasizes the role of microfinance in improving access to credit and fostering economic development at the household and community levels.

5.2.7 Advantages or disadvantages of village banking on financial stability and social development of participants

The findings from the study shed light on the perceived benefits and challenges of participating in Village. Officials involved in the research noted that participants have experienced advantages such as improved financial stability resulting from access to credit. This empowerment enables individuals to invest in income-generating activities, contributing to their economic resilience. However, challenges such as the risk of over-indebtedness have been observed, leading to instances of loan repayment difficulties and potential social repercussions. Despite these challenges, Village Banking micro-finance initiatives are seen to facilitate enhanced financial stability and economic empowerment among participants. Investments in income-generating activities, such as upgrading business equipment, contribute to individual and community-level economic development. These findings highlight the complex interplay between the perceived benefits and challenges associated with micro-finance participation, providing valuable insights into the experiences of residents in Kaunda Square. Demirgüç-Kunt and Morduch (2018) underscore the importance of addressing risks such as over-indebtedness while leveraging microfinance for economic empowerment, supporting the findings of this study.

5.3 Objective 2: Institutional Factors

5.3.1 Accessibility of financial services provided by Village Banking

The study evaluated the accessibility of financial services offered by Village Banking within the community of Kaunda Square based on the findings provided. The majority of respondents (29.27%) perceived Village Banking services as "Very Accessible," indicating effective measures to make services easily reachable. This observation is consistent with studies emphasizing the importance of accessibility and outreach in microfinance initiatives, such as Nalungwe (2018), which found that factors like targeting specific demographics and group-based lending promoted the success of microfinance programs.

Only a small percentage (4.88%) considered the services "Inaccessible," suggesting relatively low perceived barriers to access. This aligns with studies highlighting the positive impact of microfinance programs in improving financial access, such as Demirgüç-Kunt & Klapper (2012), which emphasizes the role of microfinance in increasing financial inclusion.

However, a significant portion (34.15%) held a "Neutral" stance, indicating potential ambiguity or lack of clarity regarding accessibility. This contrasts with literature emphasizing the effectiveness of microfinance programs in enhancing financial access. The neutral stance among respondents suggests a need for further clarity or outreach efforts, as highlighted in studies like Twumasi et al. (2021), which discusses factors influencing credit access among rural households.

Addressing these concerns could further enhance participation in the micro-finance program by ensuring inclusivity and equity in access to financial services. This observation is consistent with the literature's emphasis on the importance of addressing barriers to access to promote participation in microfinance initiatives, such as Hapompwe et al. (2021), which identifies challenges like poor record-keeping and inadequate loan repayment culture among members.

5.3.2 Awareness of the regulatory framework governing Village Banking

Among the participants, 12.20% (5 individuals) indicated awareness of the regulatory framework by answering "Yes." Conversely, the majority of respondents, comprising 87.80% (36 individuals), answered "No," indicating a lack of awareness regarding the regulatory framework. This finding contrasts with studies like Hapompwe et al. (2021), which identified the existence of guiding documents for the formation and operation of Village Banking groups but did not mention a lack of awareness among participants regarding the regulatory framework.

This finding suggests a significant gap in knowledge among the community members regarding the regulations governing Village Banking operations. Addressing this lack of awareness is crucial for ensuring that participants understand the regulatory environment within which Village Banking operates, which can contribute to building trust and confidence in the micro-finance institution. Additionally, enhancing awareness of the regulatory framework can empower participants to make informed decisions and navigate the financial services offered by Village Banking more effectively. This observation is consistent with studies like Mutenje (2017), which underscore the importance of understanding the regulatory context for effective project implementation, suggesting that awareness of regulations is essential for the success of microfinance initiatives.

5.3.3 Satisfaction with the governance structure of the Village Banking program

The data presents frequencies and corresponding percentages for different levels of satisfaction. Very Dissatisfied respondents constitute 4.88% of the total, with 2 individuals expressing this sentiment. Those who are dissatisfied make up 7.32%, comprising 3 respondents. Neutral responses are represented by 12.20% of the total, accounting for 5 individuals. Satisfied respondents form the largest group, with 43.90% of respondents expressing satisfaction, totaling 18 individuals. Finally, Very Satisfied respondents make up 31.71%, with 13 individuals indicating high satisfaction levels. These findings align with studies such as Nalungwe (2018), which found that factors like targeting women and group-based lending contribute to the success of microfinance programs, potentially influencing participants' satisfaction levels.

These findings provide insights into the community's perception of the governance structure of the Village Banking program. The relatively high percentage of satisfied and very satisfied respondents suggests that the majority view the governance structure positively, which could indicate effective governance practices within the program. However, the presence of dissatisfied and neutral responses indicates that there may still be room for improvement in certain aspects of the governance structure to better meet the community's needs and expectations. This finding is consistent with studies like Mwansakilwa et al. (2017), which emphasized the importance of community participation and effective project management for successful implementation, suggesting that addressing concerns raised by dissatisfied or neutral respondents could enhance program effectiveness. However, this contrasts with findings from Nalungwe (2018), which may indicate differing perceptions of governance effectiveness among participants.

5.3.4 Institutional support

The data illustrates responses to the question: "Have you received any institutional support, such as training or resources, from the Village Banking program?" Among the responses, 70.73% indicated "Yes," with a frequency of 29. Conversely, 29.27% responded "No," with 12 individuals choosing this option. This distribution suggests that a significant majority of participants have received institutional support from the Village Banking program, highlighting the program's active involvement in providing training or resources to community members. Prior research findings from Nalungwe (2018) indicate similar outcomes by highlighted factors promoting the success of Village Bank programs, including the provision of training and support resources to participants.

However, it's also notable that nearly a third of respondents reported not receiving such support, indicating potential gaps in outreach or delivery of services that the program may need to address to ensure equitable access to support resources for all participants. This observation is consistent with studies highlighting the need for microfinance programs to reassess inclusion and retention strategies. For example, Ahmed et al. (2020) underscored the importance of targeting the poorest households and employing multidimensional indicators for effective poverty alleviation.

This contrasts with the findings of Mwansakilwa et al. (2017), which identified trust and social networks as key factors in participation, suggesting that access to institutional support may not be equally distributed among all participants. However, the majority of respondents indicating receipt of institutional support suggests the active involvement of the Village Banking program in providing necessary resources, which aligns with studies emphasizing the role of microfinance programs in providing support and resources to participants. For instance, Kusam (2010) discusses the involvement of microfinance institutions in delivering financial services to the poor.

5.3.5 Loan terms and conditions offered by Village Banking

The assessment of loan terms and conditions provided by Village Banking in Kaunda Square focused on evaluating their perceived fairness and convenience among participants. Mwansakilwa et al. (2017) and Nalungwe (2018), highlighted factors such as trust and transparency as crucial for the success of microfinance programs. According to the findings, the majority of respondents (41.46%) considered the terms as "Fair/Convenient," indicating a favorable perception of the loan conditions. This observation is consistent with the emphasis on the importance of fair and transparent loan terms, as discussed by Kaloo (2016), who highlighted the role of loan portfolio management and diversification in enhancing microfinance institution performance. Additionally, a significant proportion (26.83%) rated the terms as "Very Fair/Convenient," further supporting the positive sentiment towards the loan terms offered. This reflects the success of microfinance initiatives in providing accessible and favorable financial services, as emphasized by Khan et al. (2019) in their study on community-based microfinance in Pakistan. However, a small percentage (2.44%) found the terms "Unfair/Inconvenient," suggesting areas where improvements could be made to address concerns of fairness and convenience. This corresponds to the need for microfinance programs to reassess and improve loan terms to ensure inclusivity and effectiveness, as discussed by Ahmed et al. (2020) in their study on Self-Help Groups in South Asia. Nonetheless, a noteworthy portion of respondents (29.27%) remained "Neutral" in their assessment of loan terms, indicating a lack of strong opinion or clarity on this aspect. This is consistent with studies highlighting the importance of addressing ambiguities and promoting transparent communication about loan terms to build trust

and enhance participation, as emphasized by Rau (2017) and Christopher et al. (2008) in their research on social networks and trust in microfinance institutions. Addressing any ambiguities and ensuring transparent communication about loan terms could contribute to building trust and enhancing participation in the micro-finance program.

5.3.6 Institutional factors facilitating or hindering participation in Village Banking

Insights from government officials shed light on the intricate institutional dynamics impacting participation in Village Banking initiatives. One official accentuated the facilitating factors, spotlighting the government's unwavering commitment to transparency, accountability, and consumer protection through regulatory frameworks. This dedication ensures equitable treatment for all participants, echoing scholarly discussions by Ledgerwood (2000) and Armendariz and Morduch (2010) on the pivotal role of regulatory frameworks and consumer protection measures in fortifying the success and longevity of microfinance endeavors.

Furthermore, the official stressed the indispensable nature of collaborative partnerships with local micro-finance institutions to enhance program delivery and outreach. This recognition mirrors the broader understanding of collaboration and partnerships as indispensable for expanding microfinance interventions and reaching marginalized populations. However, amidst these facilitative factors, challenges persist, particularly in the realm of limited financial literacy.

Acknowledging the significance of financial literacy as a linchpin for successful microfinance participation, the official emphasized the imperative of ongoing capacity building and targeted interventions to surmount these hurdles. Initiatives by organizations such as the Churches Health Association of Zambia (CHAZ) and the Rural Finance Expansion Programme, aimed at digitalizing Village Banking services, serve as poignant examples of efforts directed towards bolstering accessibility and efficiency. This underscores the pivotal role of capacity building and innovation in dismantling barriers to financial inclusion, as underscored by Banerjee and Duflo (2007).

Despite the absence of specific regulations by the Bank of Zambia, these initiatives are lauded for their substantial contributions to local economies, aligning with the recognition of

microfinance initiatives as potent catalysts for economic development, particularly in underserved regions. Nonetheless, challenges endure, chiefly in the domains of financial literacy and infrastructure. The pervasive lack of understanding regarding financial concepts and inadequate facilities pose formidable obstacles, especially for vulnerable demographics. This resonates with extant studies advocating for the rectification of financial literacy deficits and infrastructural enhancements to optimize the efficacy and inclusivity of microfinance programs.

In conclusion, while governmental efforts and collaborative ventures have eased participation in Village Banking micro-finance, persistent challenges, such as financial literacy and infrastructure deficiencies, impede full inclusivity. This nuanced landscape underscores the acknowledgment of both strides forward and lingering impediments within the microfinance sector. The researcher encourages the bank of Zambia to establish either indirect or direct policies aimed at providing regulatory oversight on endeavors like village banking.

5.3.7 Government policies and regulations

The responses provided underscore strong governmental support for community-based micro-finance programs, particularly Village Banking. Highlighted were the meticulous designs of policies aimed at bolstering such initiatives, with a particular emphasis on the pivotal role of informal savings groups, especially for women, as an entry point to financial services. This focus on informal savings groups resonates with research by Kusam (2010) and Demirgüç-Kunt & Klapper (2012), recognizing their significance and advocating for policies linking them to formal financial institutions. These efforts are in line with national policies like the National Financial Sector Development Policy and the National Financial Inclusion Strategy, which also prioritize linking informal groups to formal financial institutions.

Furthermore, the emphasis on transparent regulatory frameworks ensures fair treatment of participants, thereby fostering trust and confidence in Village Banking initiatives. This commitment to transparency and trust mirrors findings in studies such as Rau (2017) and Christopher et al. (2008), highlighting their importance in microfinance institutions. Capacity-building initiatives, such as entrepreneurship training and micro-credit schemes, are also underscored as vital for community empowerment, signaling a commitment to fostering

inclusive economic growth. These initiatives align with studies like Mwansakilwa et al. (2017) and Mwaka Sinkala (2020), which emphasize the importance of capacity-building for empowerment and economic growth.

Additionally, the government's proactive approach to modernizing financial inclusion through initiatives like digitalizing village banking services reflects an awareness of evolving technological trends and their potential to enhance accessibility and efficiency. This alignment with discussions in studies such as Neene et al. (2023) explores the potential of technology in enhancing financial inclusion. Overall, these findings suggest that the institutional factors in our jurisdiction are largely conducive to facilitating participation in Village Banking micro-finance in Kaunda Square.

5.3.8 Institutional support

The importance of institutional support and regulatory frameworks in microfinance initiatives is highlighted by Hapompwe et al. (2021) who underscores the existence of guiding documents and operational guidelines for Village Banking groups, echoing the comprehensive regulatory frameworks enforced at the community ward development office level, as emphasized by officials. Such measures ensure compliance with agreed-upon financial standards by ward officers and stakeholders.

Furthermore, the convenience of banking services, including group treasurers, situated within the community and predominantly operated digitally through mobile money services, prioritizes accessibility for participants. This accessibility aligns with studies emphasizing the importance of digital innovation in microfinance services, such as Neene et al. (2023), which discuss the challenges and opportunities of crowd-funding platforms in Zambia. Moreover, regular training sessions aimed at enhancing participants' financial literacy empower them to make informed decisions, a strategy consistent with studies emphasizing the role of financial literacy and training in enhancing participants' engagement and decision-making, such as Mwansakilwa et al. (2017). The flexibility of resources, such as financial loan terms, demonstrates an understanding of participants' socio-economic contexts, facilitating their active engagement in the program. This flexibility aligns with studies highlighting the importance of flexible loan terms and tailored

financial services in microfinance programs, such as Kaloo (2016), which discusses factors influencing the performance of Microfinance Institutions (MFIs) in Kenya. Similarly, stringent regulations enforced by the offices ensure the program's financial integrity, safeguarding participants' interests and fostering trust within the community, as discussed in studies such as Cassidy (2015), which explores the potential benefits of Village Savings and Loan Associations (VSLAs) in Malawi.

Notably, the provision of flexible loan terms tailored to individuals' needs, such as accommodating seasonal business cycles, exemplifies a proactive approach to promoting sustainable business growth while effectively managing cash flow. This approach aligns with studies highlighting the importance of tailoring financial services to meet participants' needs and promote business sustainability, such as Mwaka Sinkala (2020), which examines the impact of Village Banking on youth empowerment in Zambia. Overall, these findings illustrate a strong institutional framework supporting the Village Banking program in Kaunda Square, fostering its effectiveness and sustainability in promoting financial inclusion and community development, as emphasized in studies like Kusam (2010) and Mwansakilwa et al. (2017), which discuss the role of Microfinance Institutions (MFIs) and Village Savings and Loans Associations (VSLAs) in poverty alleviation and community development.

5.2.8 Any challenges or barriers within the Village Banking

The findings of the study shed light on several institutional factors that may influence participation in the Village Banking. Firstly, the identification of limited financial literacy among some residents highlights a crucial barrier to engagement. This suggests that a lack of knowledge about financial matters could hinder individuals from fully utilizing the services offered by the micro-finance institution. To address this, tailored financial education initiatives are recommended, which could include workshops, training sessions, or educational materials focused on basic financial concepts and money management. This recommendation is supported by studies such as Gebreyesus and Mohnen (2013), which emphasize the importance of networks and knowledge sharing in facilitating access to resources and innovation adoption.

Secondly, the absence of national regulatory frameworks for village banking systems emerges as another significant challenge. The lack of clear regulatory guidelines and oversight may raise concerns among potential participants regarding the security and legitimacy of their investments. Advocacy efforts to encourage the development of regulatory frameworks specific to village banking systems are essential, along with prioritizing transparency and accountability in the operations of the micro-finance institution. This observation aligns with studies such as Hapompwe et al. (2021), which highlight the importance of policy frameworks and regulations in ensuring the effectiveness and sustainability of microfinance initiatives.

Lastly, the challenge of establishing reliable online infrastructure for efficient monitoring and approval of payments underscores the importance of digital accessibility in today's financial landscape. Delays or inaccuracies in transactions recording due to inadequate online systems can erode trust and confidence in the program. To mitigate this, investments in robust online platforms that facilitate seamless transactions and transparent communication channels are recommended. Ensuring the reliability and security of online systems can enhance convenience and trust among participants, thereby promoting greater participation and impact within the community. This recommendation resonates with studies such as Neene et al. (2023), which discuss the challenges associated with online infrastructure and propose technological solutions, such as blockchain, to address them.

5.3.9 Improve institutional support to encourage greater participation

The responses provided offer valuable insights into potential strategies for enhancing institutional support to encourage greater participation. Firstly, both officials emphasize the critical role of comprehensive financial education initiatives tailored to the community's specific needs. By investing in workshops and awareness campaigns focused on demystifying financial concepts and highlighting the program's benefits, the micro-finance institution can empower residents with the knowledge and confidence to engage more actively with Village Banking. This aligns with studies such as Kusam (2010) and Nalungwe (2018), which highlight the importance of financial education in empowering participants and promoting understanding of microfinance programs.

Secondly, improving accessibility through technological innovations, such as mobile banking options and user-friendly online platforms, is identified as a key strategy. These measures not only broaden the reach of the program but also ensure equitable access to banking services for all residents, including those with limited mobility or access to traditional banking infrastructure. This corresponds with recommendations from studies like Neene et al. (2023), which suggest leveraging technology to address challenges in financial services.

Additionally, forging partnerships with local stakeholders, including government agencies and NGOs, emerges as a promising avenue for enhancing institutional support. Collaborative efforts can provide the program with additional resources, expertise, and support, thereby strengthening its sustainability and expanding its impact over time. This is consistent with findings from studies like Hapompwe et al. (2021) and Mwansakilwa et al. (2017), which highlight the importance of collaboration with local stakeholders in microfinance initiatives.

In summary, by implementing a combination of tailored financial education initiatives, technological innovations, and strategic partnerships, the micro-finance institution can enhance institutional support for the Village Banking program in Kaunda Square, ultimately encouraging greater participation and fostering financial inclusion within the community.

5.4 Objective 3: Socio-Economic Characteristics

5.4.1 Ethnic or racial group

The study findings on the ethnic composition align with several themes highlighted in the literature on microfinance, particularly regarding inclusivity and program design. For instance, Kabeer's (2005) emphasis on understanding socio-cultural norms and gender roles resonates with the importance of demographic insights in ensuring equitable access to financial services. The overwhelming representation of Black/African respondents, constituting 97.56% of the total, supports the literature's focus on understanding the demographic makeup of microfinance participants. Conversely, the lack of diversity among participants, particularly the absence of representation from minority ethnic groups, contrasts with the literature's emphasis on inclusivity and diversity in microfinance programs.

5.4.2 Religious affiliation

The findings on religious affiliation resonate with the emphasis on socio-cultural factors highlighted in the literature. Similar to Kabeer's (2005) study, which examined women's participation in microfinance programs across diverse cultural contexts, the demographic composition of participants underscores the influence of socio-cultural norms on financial behavior. Kabeer's qualitative analysis revealed how cultural nuances and gender roles affect access to financial resources. Similarly, the strong presence of Christianity among respondents in Kaunda Square suggests the significance of religious norms in shaping community dynamics and participation in microfinance initiatives. Conversely, the relatively low representation of Muslims in the study sample contrasts with the findings of Khan et al. (2019), who emphasized the inclusivity of community-based microfinance programs. Khan's study highlighted the mutual benefits for beneficiaries and NGOs, suggesting that effective microfinance initiatives should cater to diverse religious and cultural backgrounds. The disparity in religious representation in Kaunda Square suggests a potential gap in outreach efforts or program accessibility for minority religious groups, indicating a need for strategies to promote inclusivity and equitable participation across religious divides. Therefore, while the findings align with Kabeer's emphasis

on socio-cultural influences, they also underscore the importance of addressing disparities to achieve the inclusive objectives highlighted by Khan et al.

5.4.3 socio-economic background has influence on decision to participate

The study's findings regarding participants' perceptions of the influence of socio-economic backgrounds on their decision to engage in Village resonate with existing literature on individual motivations in financial decision-making. The majority of respondents, comprising 70.73% of the total, indicated that their socio-economic circumstances influenced their decision. This aligns with previous research, such as Jombo and Wytone's study in Malawi (2022), which highlighted the significance of factors like family size, education levels, and urban residence in shaping participation in credit markets.

However, the presence of respondents (26.83%) who believe their socio-economic backgrounds did not influence their decision mirrors the nuanced findings of Twumasi et al. in Ghana (2021). Twumasi et al. emphasized the role of cultural factors and social networks alongside traditional socio-economic indicators in financial decisions.

The study's findings on participants' perceptions regarding the influence of socio-economic backgrounds on their decision to engage in Village Banking micro-finance in Kaunda Square, Lusaka, align with the multifaceted nature of individual motivations discussed in the literature. Similar to the findings of Jombo and Wytone (2022), which investigated household participation in credit markets in Malawi, the majority of respondents in Kaunda Square perceive their socio-economic circumstances as influential factors in their decision-making process. Jombo and Wytone's study revealed that household characteristics such as family size, educational levels, and urban residence influenced participation in credit markets. Similarly, the significant proportion of respondents attributing their decision to participate in micro-finance to their socio-economic backgrounds suggests a similar recognition of the impact of financial circumstances, education, and employment status on financial decision-making in Kaunda Square. However, the divergence in perceptions, with a notable percentage indicating otherwise, echoes the nuanced findings of Twumasi et al. (2021), who explored rural financial inclusion in Ghana.

Twumasi et al. found that while income, education, and proximity to financial institutions significantly affected credit access among rural households, cultural factors and social networks also played critical roles in financial decisions. The presence of respondents who do not perceive their socio-economic backgrounds as influential suggests the need for a more comprehensive understanding of the various factors shaping participation in micro-finance initiatives. Furthermore, the uncertainty expressed by some participants underscores the complexity and subjective nature of individual decision-making processes, emphasizing the importance of tailored approaches to financial inclusion. Overall, these findings contribute to the broader discourse on financial inclusion by highlighting the interplay between socio-economic factors, individual perceptions, and participation in micro-finance initiatives, thereby informing targeted strategies to promote accessibility and relevance of financial services for diverse populations in Kaunda Square and beyond.

5.4.4 Duration in years of residence in the community

The examination of residence duration among participants parallels the focus on community context and dynamics evident in existing literature on microfinance initiatives. Similar to Rau's (2017) exploration of social networks' impact on financial decisions in microfinance institutions across different countries, the study's findings shed light on participants' long-term connection to the community. Rau's qualitative approach highlighted the significance of trust and peer recommendations in influencing participation decisions, emphasizing the importance of understanding community dynamics. Similarly, the varying duration of residence among respondents in Kaunda Square reflects a spectrum of community attachment and tenure, echoing the nuanced socio-economic factors influencing financial behavior. However, the findings contrast with Mutenje's (2017) evaluation of project implementation effectiveness, which focused on specific geographic areas like Kasama District in Zambia. While Mutenje's study underscored the positive influence of community participation on project effectiveness, the findings in Kaunda Square highlight a diverse range of residence durations, suggesting a dynamic community landscape with implications for microfinance interventions. Therefore, while aligning with Rau's emphasis on community dynamics, the findings emphasize the need

for tailored interventions that account for the varying degrees of community attachment and tenure among participants, ensuring inclusivity and relevance in microfinance programming.

5.4.5 Information sources

The study's exploration of information sources utilized by participants resonates with existing literature on the significance of community networks and communication channels in microfinance initiatives. Similar to the emphasis on social networks highlighted by Rau (2017), the findings underscore the pivotal role of word of mouth in disseminating information about micro-finance opportunities. Rau's qualitative approach illuminated the importance of trust and peer recommendations in influencing participation decisions, aligning with the study's identification of informal networks as the primary information source. Additionally, the study's acknowledgment of social media platforms as a prominent source of information reflects the growing influence of digital communication channels, echoing the findings of contemporary research on the integration of technology in microfinance outreach efforts.

However, the study's findings also reveal the continued relevance of traditional communication methods, such as community meetings and religious announcements, reminiscent of the emphasis on communal gatherings and religious affiliations highlighted by Demirgüç-Kunt and Klapper (2012). Their investigation into access to financial services across African countries emphasized the role of informal methods, suggesting that community-based approaches remain essential in reaching marginalized populations. In contrast, while the study identifies governmental agencies as key informants, it does not delve deeply into the role of formal institutions, such as banks or microfinance organizations, in information dissemination. This contrasts with literature highlighting the importance of institutional partnerships and structured outreach programs in enhancing financial inclusion.

Therefore, while aligning with existing research on the significance of community networks and communication channels, the study underscores the need for a multi-faceted approach to information dissemination in microfinance initiatives. By leveraging both traditional and digital communication channels, alongside community networks and institutional partnerships, microfinance programs can enhance awareness and accessibility, ultimately fostering greater participation and socio-economic empowerment within target communities.

5.4.6 socio-economic characteristics of households

The socio-economic characteristics observed among households actively participating in Village Banking in Kaunda Square aligns with the findings and recommendations from studies by Nakina et al. (2011) and Ahmed et al. (2020). Nakina et al.'s exploration of factors influencing participation in microfinance programs highlighted the significance of tailored solutions to address diverse needs within communities, particularly regarding gender dynamics and socio-cultural values. Similarly, the prevalence of female participants in Kaunda Square underscores the vital role of women in economic activities, echoing Nakina et al.'s emphasis on understanding and addressing gender-specific barriers to financial inclusion. Additionally, Ahmed et al.'s study emphasized the importance of targeting vulnerable groups and employing multidimensional indicators for effective poverty alleviation within microfinance programs. The observation of female-headed households with moderate to low incomes in Kaunda Square reflects the challenges faced by women highlighted in Ahmed et al.'s research. Furthermore, the emphasis on offering tailored financial solutions, such as micro-loans with flexible repayment terms, to incentivize greater engagement among vulnerable groups aligns with both studies' recommendations for promoting inclusivity and responsiveness in microfinance programming. Therefore, the insights from the study in Kaunda Square reinforce the importance of aligning microfinance interventions with the socio-economic characteristics and needs of participants, as emphasized by Nakina et al. and Ahmed et al.

5.4.7 Addressing socio-economic challenges

The government initiatives, particularly the Micro-credit scheme led by the Ministry of Community Development and Social Services, resonate with Musinguzi's (2016) emphasis on the importance of multi-stakeholder engagement in fostering financial inclusion and community development. Similar to Musinguzi's findings regarding the collaborative efforts between various stakeholders to promote financial access and social capital within VSLAs in African countries, the partnerships between the government and organizations like Churches Health Association of Zambia (CHAZ) and Rural Finance Expansion Programme

(RUFEP) reflect a comprehensive approach to socio-economic empowerment within Kaunda Square. These initiatives highlight the significance of addressing socio-economic challenges through coordinated efforts, aligning with Musinguzi's insights into the nuanced ways in which community-based financial programs can enhance financial access and livelihoods for marginalized populations.

5.4.8 socio-economic characteristics of households

The challenges highlighted by officials in Kaunda Square echo the findings of studies by Nakina et al. (2011) and Mwaka (2020), emphasizing the barriers faced by specific socio-economic groups in accessing microfinance services. Nakina et al. identified socio-cultural values and institutional strategies as factors influencing participation, echoing the challenges faced by women-led households in balancing household duties with entrepreneurial pursuits. Similarly, Mwaka's study underscored the economic challenges encountered by lower-income households in accessing financial services, aligning with the struggles observed in Kaunda Square. Moreover, both studies highlighted the importance of tailored interventions to address these challenges, such as financial education and efforts to promote equitable access. These insights reinforce the need for targeted strategies to enhance inclusivity and effectiveness in micro-finance initiatives, aligning closely with the research objective of understanding participation dynamics in Village Banking micro-finance in Kaunda Square. Addressing barriers such as lower education levels and limited technological access is crucial for fostering economic empowerment and improving financial outcomes within the community.

5.5 government support

The government's approach to supporting Village Banking programs in Kaunda Square, Lusaka, aligns with the collaborative and strategic efforts emphasized in the studies by Demirgüç-Kunt and Klapper (2012) and Rau (2017), which underscore the importance of partnerships and capacity building in enhancing financial inclusion. Demirgüç-Kunt and Klapper's findings emphasize the need for collaboration with local micro-finance institutions to expand access to financial services, a strategy echoed by the first official's emphasis on partnerships with local

micro-finance institutions to bolster operational capacity. Additionally, Rau's study highlights the significance of regulatory guidance and technical assistance in fostering effective micro-finance initiatives, a point echoed by the second official's focus on strengthening regulatory frameworks and collaborating with partners like CHAZ and ZANACO to advance Village Banking. These initiatives collectively aim to address barriers to financial inclusion identified in both studies, such as limited access to formal financial services and challenges faced by specific socio-economic groups. By adopting a collaborative and strategic approach, the government aims to create a conducive environment for sustainable micro-finance initiatives, ultimately promoting inclusive economic growth and poverty alleviation in communities like Kaunda Square.

5.6 challenges

In tackling the significant hurdles faced by Village Banking endeavors in Kaunda Square, stakeholders from the Ministry of Community Development have identified key challenges and proposed proactive strategies. One crucial issue highlighted is the limited accessibility of credit for small-scale urban entrepreneurs. To address this, collaborative efforts with financial institutions are suggested to introduce specialized loan products and enhance digital financial services, aiming to streamline lending processes and broaden credit accessibility for urban residents. Additionally, there's a recognized need to combat residents' skepticism and limited awareness regarding formal financial institutions and Village Banking initiatives. To counter this, stakeholders recommend public awareness campaigns and regulatory framework fortification to nurture trust and encourage financial inclusion. These efforts align with insights from existing literature, such as Armendariz and Morduch (2010), which underscore the importance of regulatory support and involvement in promoting inclusive financial systems. Overall, these strategies underscore the critical role of involvement in supporting and enhancing the success of community-based microfinance programs like Village Banking, aligning with broader themes in literature on inclusive finance and development.

CHAPTER SIX

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

6.0 Conclusion

This study aimed to factors influencing participation in community based micro-finance: a case of village banking in kaunda square, lusaka. It was driven by objectives: To assess the perceived benefits associated with participating in Village Banking micro-finance among residents of Kaunda Square, to evaluate the institutional factors that may facilitate or hinder participation in Village Banking micro-finance in Kaunda Square and to analyze the socio-economic characteristics of households participating in Village Banking micro-finance in Kaunda Square, Lusaka.

Social Demographic Characteristics: Conclusively, the research affirms the predominant participation of females, in line with broader trends in microfinance literature emphasizing women's significant involvement, particularly in African settings. This trend underscores women's perceived reliability as borrowers and their central role in household finances. Moreover, the age distribution of program participants spans a diverse range, indicating the programs' relevance across various life stages. Additionally, the educational attainment of participants, with many having completed secondary school or higher education, highlights the programs' appeal to individuals with varying educational backgrounds, consistent with studies on education's influence on financial behavior. Marital status also plays a significant role, with married individuals comprising the largest participant group in village banking, reflecting the impact of family dynamics and social networks on participation, contrary to some previous studies. Furthermore, the majority of participants come from low-income households, emphasizing the programs' targeting of economically disadvantaged individuals. Occupation-wise, a notable portion of participants are self-employed or employed, reflecting the diverse economic activities within the community and underlining the importance of entrepreneurship and informal sector participation in microfinance initiatives. Lastly, while not directly addressed in the literature, the typical family size of 4 to 6 members in the community may influence

financial decision-making and resource allocation within households, potentially impacting participation in microfinance programs.

The perceived benefits associated with participating in Village Banking micro-finance: the study concludes that Participants generally perceive an enhancement in their financial situation due to participation. There is a prevailing positive sentiment towards Village Banking micro-finance, with the majority viewing it as a reliable means for saving and obtaining loans. While the program enjoys awareness among local authorities, direct government involvement appears limited, suggesting room for enhanced collaboration. Residents benefit from improved access to credit for small-scale businesses and collaborative economic activities like forming cooperatives, yet challenges such as the risk of over-indebtedness persist, highlighting the need for balanced approaches to leverage microfinance for economic empowerment.

To evaluate the institutional factors that may facilitate or hinder participation in Village Banking: the study concludes that Village Banking services are accessible, indicating effective measures to make services easily reachable. There's a notable lack of awareness among community members regarding the regulations governing Village Banking operations, highlighting the need for enhanced awareness to build trust and confidence in the micro-finance institution. Satisfaction levels with the governance structure of village banking groups are high. It also concludes that members through village banks receive institutional such as training and other resources. Loan terms are predominately considered fair or convenient. Addressing any ambiguities and ensuring transparent communication about loan terms could contribute to building trust and enhancing participation in the micro-finance program. While governmental efforts and collaborative ventures have eased participation in Village Banking micro-finance, challenges persist, particularly in the realm of limited financial literacy and infrastructure deficiencies. The absence of specific regulations presents an opportunity for advocacy to establish regulatory oversight. Strong governmental support for community-based micro-finance programs, particularly Village Banking, is evident, with policies prioritizing linking informal groups to formal financial institutions, ensuring transparent regulatory frameworks, and fostering

capacity-building initiatives for community empowerment. Limited financial literacy, absence of national regulatory frameworks, and challenges in establishing reliable online infrastructure are significant barriers to participation in Village Banking, which can be addressed through tailored financial education, advocacy for regulatory frameworks, and technological enhancements to improve institutional support and encourage greater participation.

To analyze the socio-economic characteristics of households participating in Village Banking: The study conducted in Village Banking micro-finance within Kaunda Square, Lusaka, concludes that firstly, participants overwhelmingly belong to the Black/African ethnic group, indicating a lack of diversity. Secondly, Christianity emerges as the dominant religious affiliation among village banking participants in Kaunda square, with relatively low representation of Muslims. Additionally, socio-economic circumstances are influential in decision to engage in Village Banking micro-finance, emphasizing the importance of financial circumstances, education, and employment status in decision-making. Furthermore, a diverse range of community attachment and tenure in Kaunda square also affects decision making. Informal networks, particularly word of mouth, play a pivotal role as the primary information source for participants, alongside the growing influence of social media platforms. Moreover, female participation is prevalent, highlighting the significance of gender dynamics in economic activities and the need for tailored financial solutions to address the challenges faced by vulnerable groups.

Government support: the study concludes that the government is focused on collaborative efforts with local micro-finance institutions and strategic partnerships with organizations like CHAZ and ZANACO. This approach aims to enhance financial inclusion by expanding access to financial services and overcoming barriers identified in studies, such as limited access to formal financial services and socio-economic challenges. By introducing regulatory frameworks and providing technical assistance, the government seeks to create a conducive environment for sustainable micro-finance initiatives, ultimately promoting inclusive economic growth and poverty alleviation in the community.

Challenge: that study concludes that Village Banking initiatives face significant challenges, including limited accessibility of credit for small-scale urban entrepreneurs, skepticism, and limited awareness among residents regarding formal financial institutions and Village Banking initiatives. To address these challenges, stakeholders advocate for collaborative efforts with financial institutions to introduce specialized loan products and enhance digital financial services, streamlining lending processes and broadening credit accessibility for urban residents. Additionally, they recommend public awareness campaigns and reinforcement of regulatory frameworks to nurture trust and promote financial inclusion. Overall, stakeholder involvement is deemed critical in supporting and enhancing the success of community-based microfinance programs like Village Banking, aligning with broader themes in inclusive finance and development.

6.1 Recommendations

The researcher noted that Village Banking significantly contributed to the expansion of businesses among marketeers, vendors, and ordinary participants, enabling them to grow existing enterprises and venture into new ones. However, the researcher also identified risks associated with Village Banking activities stemming from the informal nature of operations and the absence of a legal framework to safeguard these activities. Consequently, the following recommendations are proposed:

Social Demographic Characteristics: Based on the research findings, it is recommended to enhance gender-specific outreach and support to empower women economically, tailor educational initiatives to participants' varying educational backgrounds, acknowledge and address the influence of marital status and family dynamics on participation, prioritize accessibility and affordability for low-income households, promote entrepreneurship through targeted support, and offer financial literacy training to navigate financial decision-making within larger households. These recommendations aim to optimize the effectiveness in participation in village banking microfinance programs in Kaunda Square, Lusaka, by addressing the diverse social demographic characteristics of participants and fostering inclusive economic development.

Institutional Factors: Based on the findings, recommendations for enhancing participation and effectiveness of Village Banking micro-finance initiatives in Kaunda Square, Lusaka, include: improving financial literacy through educational programs to address neutral or negative perceptions, diversifying financial products to meet varied participant needs, fostering community engagement and transparency to build trust by Advocating for government support and policy reforms especially that bank of Zambia (BoZ) needs to create an inclusive policy and regulatory framework so as to formalize the village banking programme, collaborating with local authorities for community development projects and awareness campaigns, offering capacity-building programs for officials, providing business development support and social capital enhancement for participants, implementing risk management strategies to mitigate over-indebtedness, and establishing social support systems within Village Banking groups to promote resilience and cohesion. These recommendations aim to optimize the socio-economic impact of Village Banking while addressing challenges and enhancing stakeholder involvement for sustainable community development.

Socio-Economic Characteristics: Based on the findings regarding socio-economic characteristics in Village Banking micro-finance participation within Kaunda Square, Lusaka, several recommendations emerge. Firstly, to promote diversity and inclusivity, targeted outreach efforts should engage minority ethnic groups, supported by collaborations with community leaders and cultural organizations. Secondly, initiatives tailored to specific religious communities can enhance participation, utilizing partnerships with religious institutions and culturally sensitive financial literacy workshops. Thirdly, addressing the influence of socio-economic backgrounds on participation requires targeted financial education programs, flexible financial products, and strengthened community-based support networks. Additionally, recognizing the diversity of residence durations, efforts should foster trust and social cohesion while leveraging the knowledge of long-term residents to support newcomers.

Diversifying communication channels, collaborating with local authorities, and empowering community influencers can enhance information dissemination about micro-finance opportunities. Furthermore, customizing micro-finance products for vulnerable groups, providing targeted training, and fostering partnerships with local organizations are essential for addressing socio-economic challenges. Lastly, advocating for policy reforms and evaluating interventions'

effectiveness over time are crucial for sustained impact and socio-economic development within Kaunda Square. These recommendations collectively aim to foster greater participation, inclusivity, and socio-economic empowerment within the community through Village Banking micro-finance initiatives.

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RESEARCH TIMEFRAME OF RESEARCH ACTIVITIES

4.1 Expected Work Schedule

Time Allocation Output	Activity	Expected
APRIL 2024	Data Collection	Data Collected
APRIL 2024	Data Analysis	Analysed data
APRIL 2024	Submission of Final Report	Final Report Submitted

4.2 Resource Allocation

Transport to Selected areas	K 300.00
Printing, photocopying and binding	K 1,000.00
Stationary i.e. reams of paper, pens, files and data taking books	K 500.00
Internet Bundles	K 200.00
Miscellaneous	<u>K 500.00</u>
TOTAL	<u>K 2,500.00</u>

Appendices

Questionnaire (current participant)

Dear respondent

This research is being conducted by Ernest Phiri Msanide, a final year student at the University of Zambia and this study is a partial requirement for the award of master's degree in business administration. I am carrying out this research to investigate the factors influencing participation in community based micro-finance: a case of village banking. You are therefore kindly requested to complete this questionnaire by filling in the spaces provided and by ticking the most appropriate answer. The information given will be confidentially handled and used for academic purposes only.

Thank you for participating and making this research a success.

QUESTIONNAIRE 1

Participant Information:

1. Name (Optional):
2. Age:
3. Gender:
 - Male
 - Female
 - Other (please specify)
4. Education Level:
 - Less than Primary School
 - Primary School
 - Secondary School
 - College/University
5. Marital Status:
 - Single
 - Married
 - Divorced
 - Widowed
 - Other (please specify)
6. Household Income (per month):
 - Less than \$100
 - \$100-\$500
 - \$501-\$1,000

- More than \$1,000

7. Occupation:

- Employed
- Self-employed
- Unemployed
- Other (please specify)

8. Family Size:

- 1-3
- 4-6
- 7 or more

Perceived Benefits (Objective 1):

Please rate the following statements on a scale of 1 to 5, where 1 is "Strongly Disagree," and 5 is "Strongly Agree."

9. Participating in Village Banking micro-finance has improved my financial situation.

- 1 - Strongly Disagree
- 2 - Disagree
- 3 - Neutral
- 4 - Agree
- 5 - Strongly Agree

10. I believe that Village Banking micro-finance offers a secure way to save money and access loans.

- 1 - Strongly Disagree
- 2 - Disagree
- 3 - Neutral
- 4 - Agree
- 5 - Strongly Agree

11. Village Banking micro-finance has positively impacted my community's economic development.

- 1 - Strongly Disagree
- 2 - Disagree
- 3 - Neutral
- 4 - Agree
- 5 - Strongly Agree

Institutional Factors (Objective 2):

12. How accessible are the financial services of Village Banking in your community?

- Very Inaccessible
- Inaccessible
- Neutral
- Accessible
- Very Accessible

13. Are you aware of the regulatory framework governing Village Banking operations in Kaunda Square, Lusaka?

- Yes
- No

14. How satisfied are you with the governance structure of the Village Banking program in your community?

- Very Dissatisfied
- Dissatisfied
- Neutral
- Satisfied
- Very Satisfied

15. Have you received any institutional support, such as training or resources, from the Village Banking program?

- Yes
- No

16. Please rate the loan terms and conditions offered by Village Banking in terms of their fairness and convenience.

- Very Unfair/Inconvenient
- Unfair/Inconvenient
- Neutral
- Fair/Convenient
- Very Fair/Convenient

Socio-Economic Characteristics (Objective 3):

17. Which ethnic or racial group do you belong to?

- Please specify:

18. What is your religious affiliation?

- Please specify:

19. Do you believe that your socio-economic background has influenced your decision to participate in Village Banking micro-finance?

- Yes
- No
- Not Sure

20. How many years have you been living in Kaunda Square, Lusaka?

21. How did you first learn about Village Banking in your community?

- Word of Mouth
- Flyers/Posters
- Community Meetings
- Other (please specify)

Questionnaire (WDC official)

Dear respondent

This research is being conducted by Ernest Phiri Msanide, a final year student at the University of Zambia and this study is a partial requirement for the award of master's degree in business administration. I am carrying out this research to investigate the factors influencing participation in community based micro-finance: a case of village banking. You are therefore kindly requested to complete this questionnaire by filling in the spaces provided and by ticking the most appropriate answer. The information given will be confidentially handled and used for academic purposes only.

Thank you for participating and making this research a success.

QUESTIONNAIRE 2

Section 1: General Information

1. Name of the Ward Community Development Official:

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2. Contact Information (Phone/Email)

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3. How long have you been working as a Ward Community Development Official in Kaunda Square, Lusaka?

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Section 2: Perceived Benefits of Village Banking Micro-Finance

4. In your experience, what are the perceived benefits that residents of Kaunda Square, Lusaka associate with participating in Village Banking micro-finance? Please list the benefits you have observed or heard of.

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5. Have you noticed any specific advantages or disadvantages that participants in Village Banking micro-finance have experienced in terms of financial stability and social development? Please provide examples

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8. In your opinion, how can the Village Banking program in Kaunda Square improve institutional support to encourage greater participation?

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Section 4: Socio-Economic Characteristics of Households

9. Based on your interactions, what are the common socio-economic characteristics of households that actively participate in Village Banking micro-finance in Kaunda Square? (e.g., age, gender, education, income)

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10. Are there specific challenges faced by households with particular socio-economic characteristics when it comes to participating in Village Banking? Please elaborate.

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Questionnaire (government officials)

Dear respondent

This research is being conducted by Ernest Phiri Msanide, a final year student at the University of Zambia and this study is a partial requirement for the award of master's degree in business administration. I am carrying out this research to investigate the factors influencing participation in community based micro-finance: a case of village banking. You are therefore kindly requested to complete this questionnaire by filling in the spaces provided and by ticking the most appropriate answer. The information given will be confidentially handled and used for academic purposes only.

Thank you for participating and making this research a success.

QUESTIONAIR 3

Demographic Information:

1. Name of Government Official (Optional):

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2. Position/Title:

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3. Department/Agency:

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4. Contact Information (Email/Phone):

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5. Years of Experience in Government Service:

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General Awareness:

6. Are you aware of the Village Banking micro-finance program in Kaunda Square, Lusaka?

• Yes

• No

7. Have you been involved in any way with Village Banking initiatives in Kaunda Square, Lusaka, as part of your government responsibilities?

• Yes

• No

Perceived Benefits:

- 8. In your opinion, what are the perceived benefits associated with participating in Village Banking micro-finance for the residents of Kaunda Square, Lusaka?

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- 9. Are there any specific advantages or disadvantages you believe Village Banking offers to the community?

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Institutional Factors:

- 10. From a government perspective, what institutional factors facilitate or hinder participation in Village Banking micro-finance in Kaunda Square, Lusaka?

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- 11. Do government policies and regulations support or hinder the development of community-based micro-finance programs like Village Banking in your jurisdiction?

Government Support:

14. How has the government supported or collaborated with Village Banking programs in Kaunda Square, Lusaka, to enhance their effectiveness and reach?

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15. What, in your opinion, could be done to improve government support for community-based micro-finance initiatives like Village Banking?

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Challenges and Solutions:

16. From your perspective, what are the major challenges faced by Village Banking programs in Kaunda Square, Lusaka, and how can these challenges be addressed by government agencies?

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17. Do you believe that government involvement is essential for the success of community-based micro-finance programs like Village Banking? If so, how can this involvement be enhanced?

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Additional Comments: 18. Please share any additional insights, recommendations, or comments related to the research objectives and the factors influencing participation in Village Banking micro-finance in Kaunda Square, Lusaka.



THE UNIVERSITY OF ZAMBIA

DIRECTORATE OF RESEARCH AND GRADUATE STUDIES

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Fax: (+260) 211 290 258/253 952 | Email: director.drgrs@unza.zm | Website: www.unza.zm /directorates/drgrs

APPROVAL OF STUDY

IORG No. 0005376
HSSREC IRB No. 00006464
REF NO. HSSREC-2024-FEB-040

8th April, 2024

Mr. Ernest Msanide Phiri
The University of Zambia
P.O. Box 32379
LUSAKA

Dear Mr. Phiri

RE: "FACTORS INFLUENCING PARTICIPATION IN COMMUNITY BASED MICRO-FINANCE: A CASE OF VILLAGE BANKING IN KAUNDA SQUARE, LUSAKA".

Reference is made to your submission of the protocol captioned above. The HSSREC resolved to approve this study and your participation as Principal Investigator for a period of one year.

REVIEW TYPE	ORDINARY REVIEW	APPROVAL NO. HSSREC:- 2024- FEB – 040
Approval and Expiry Date	Approval Date: 8 th April, 2024	Expiry Date: 7 th April, 2025
Protocol Version and Date	Version - Nil.	7 th April, 2025
Information Sheet, Consent Forms and Dates	<input type="checkbox"/> English.	To be provided
Consent form ID and Date	Version - Nil	To be provided
Recruitment Materials	Nil	Nil
Other Study Documents	Questionnaire.	
Number of Participants Approved for Study		

Specific conditions will apply to this approval. As Principal Investigator it is your responsibility to ensure that the contents of this letter are adhered to. If these are not adhered to, the approval may be suspended. Should the study be suspended, study sponsors and other regulatory authorities will be informed.

CONDITIONS OF APPROVAL

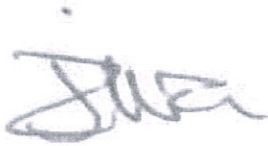
- No participant may be involved in any study procedure prior to the study approval or after the expiration date.
- All unanticipated or Serious Adverse Events (SAEs) must be reported to HSSREC within 5 days.
- All protocol modifications must be approved by HSSREC prior to implementation unless they are intended to reduce risk (but must still be reported for approval). Modifications will include any change of investigator/s or site address.
- All protocol deviations must be reported to HSSREC within 5 working days.
- All recruitment materials must be approved by HSSREC prior to being used.
- Principal investigators are responsible for initiating Continuing Review proceedings. HSSREC will only approve a study for a period of 12 months.
- It is the responsibility of the PI to renew his/her ethics approval through a renewal application to HSSREC.
- Where the PI desires to extend the study after expiry of the study period, documents for study extension must be received by HSSREC at least 30 days before the expiry date. This is for the purpose of facilitating the review process. Documents received within 30 days after expiry will be labelled "late submissions" and will incur a penalty fee of K500.00. No study shall be renewed whose documents are submitted for renewal 30 days after expiry of the certificate.
- Every 6 (six) months a progress report form supplied by The University of Zambia Humanities and Social Sciences Research Ethics Committee as an IRB must be filled in and submitted to us. There is a penalty of K500.00 for failure to submit the report.
- When closing a project, the PI is responsible for notifying, in writing or using the Research Ethics and Management Online (REMO), both HSSREC and the National Health Research Authority (NHRA) when ethics certification is no longer required for a project.
- In order to close an approved study, a Closing Report must be submitted in writing or through the REMO system. A Closing Report should be filed when data collection has ended and the study team will no longer be using human participants or animals or secondary data or have any direct or indirect contact with the research participants or animals for the study.
- Filing a closing report (rather than just letting your approval lapse) is important as it assists HSSREC in efficiently tracking and reporting on projects. Note that some funding agencies and sponsors require a notice of closure from the IRB which had approved the study and can only be generated after the Closing Report has been filed.

- A reprint of this letter shall be done at a fee.
- All protocol modifications must be approved by HSSREC by way of an application for an amendment prior to implementation unless they are intended to reduce risk (but must still be reported for approval). Modifications will include any change of investigator/s or site address or methodology and methods. Many modifications entail minimal risk adjustments to a protocol and/or consent form and can be made on an Expedited basis (via the IRB Chair). Some examples are: format changes, correcting spelling errors, adding key personnel, minor changes to questionnaires, recruiting and changes, and so forth. Other, more substantive changes, especially those that may alter the risk-benefit ratio, may require Full Board review. In all cases, except where noted above regarding subject safety, any changes to any protocol document or procedure must first be approved by HSSREC before they can be implemented.

Should you have any questions regarding anything indicated in this letter, please do not hesitate to get in touch with us at the above indicated address.

On behalf of HSSREC, we would like to wish you all the success as you carry out your study.

Yours faithfully,



DR. J. I. Ziwa
CHAIRPERSON
THE UNIVERSITY OF ZAMBIA HUMANITIES AND
SOCIAL SCIENCES RESEARCH ETHICS COMMITTEE - IRB

CC: Director, Directorate of Research and Graduate Studies
Assistant Director (Research), Directorate of Research and Graduate Studies
Assistant Registrar (Research), Directorate of Research and Graduate Studies