

Instituting village savings and loan associations scheme through action research in Zimbabwe

Norman Chivasa

Abstract

Village savings and loan associations schemes have become one of the critical survival strategies amidst poverty, inequality and financial exclusion thus helping low income communities to ride out poverty and make their savings and to eke out a living. However, the use of scientific procedures by ordinary people when establishing such initiatives in their villages is under-reported. This study, therefore, sought to test the utility of the action research (AR) methodology in establishing a low-cost village savings and loan associations scheme intervention, with a view to assessing the extent to which the scheme can improve the livelihoods of members of the scheme, and draw lessons for future interventions. The process involved planning, designing, establishing and evaluating a village savings and loan association scheme initiative involving 15 individual members (inclusive of the researcher) in ward 8 of Seke district, Zimbabwe. Results showed that creating village savings and loan associations is possible using action research, as community participation in the design, implementation and day-to-day operations of such initiatives guaranteeing ownership and control of the initiative by the host group scheme are almost natural to action research. One of the comparative advantages of using action research is that it creates spaces for ordinary people to share their experiences, reflect, and come up with context-specific solutions, as they take responsibility for their financial wellbeing, thus helping to meet their socio-economic needs and aspirations. The strength of village savings and loan associations is that they can be replicated. The study recommends that in the era of COVID-19, social distancing rules and regulations introduced to contain the virus should be observed.

Keywords: Action research; COVID-19; village savings scheme; Zimbabwe

Instituyendo un esquema de asociaciones de ahorro y préstamo en las aldeas mediante la Investigación-Acción en Zimbabwe

Resumen

Los esquemas de asociaciones de ahorro y préstamo de las aldeas se han convertido en una de las estrategias de supervivencia fundamentales en medio de la pobreza, la desigualdad y la exclusión financiera, lo que ayuda a las comunidades de bajos ingresos a superar la pobreza, hacer sus ahorros y ganarse la vida. Sin embargo, el uso de procedimientos científicos por parte de la gente común cuando se establece este tipo de iniciativas en sus aldeas no se informa. Este estudio, por lo tanto, buscó probar la utilidad de la metodología de la Investigación-Acción (IA) en el establecimiento de un esquema

de intervención de asociaciones de ahorro y préstamo en aldeas de bajo costo, con miras a evaluar en qué medida este esquema puede mejorar los medios de subsistencia de los miembros del esquema y extraer lecciones para futuras intervenciones. El proceso implicó planificación, diseño, establecimiento y evaluación de una iniciativa de esquema de asociación de ahorro y préstamo de una aldea en la que participaron 15 miembros individuales (incluido el investigador) en la comuna 8 del distrito de Seke, Zimbabwe. Los resultados mostraron que la creación de asociaciones de ahorro y préstamo en las aldeas es posible usando la Investigación-Acción ya que la participación de la comunidad en el diseño, la implementación y las operaciones diarias de tales iniciativas, que garantizan la propiedad y el control de la iniciativa por parte del esquema del grupo anfitrión, son casi naturales para la Investigación-Acción. Una de las ventajas comparativas de utilizar la Investigación-Acción es que crea espacios para que la gente común comparta sus experiencias, reflexione y presente soluciones específicas para el contexto, asumiendo la responsabilidad de su bienestar financiero, lo cual ayuda a satisfacer sus necesidades socioeconómicas y aspiraciones. El punto fuerte de las asociaciones de ahorro y préstamo de las aldeas es que se pueden replicar. El estudio recomienda que en la era del COVID-19, se deben observar las reglas y regulaciones de distanciamiento social introducidas para contener el virus.

Palabras Clave: Investigación-Acción, COVID-19, esquema de ahorro de la aldea, Zimbabwe

Introduction

In low-income communities across southern Africa, informal economic initiatives, such as self-help groups have often provided a buffer against the vagaries of broader economic and social circumstances. Village savings and loan associations (VSLAs) scheme is one such example of a self-help group scheme. It involves a self-selected group of people pooling cash funds together. The scheme does not require outside capital or on-going financial/administrative support, but exclusively depends on group membership contributions to sustain it (Masiyiwa 2016; Mphambela 2016; Zimbabwe Microfinance Fund 2016). Through this scheme, members are able to meet their immediate basic needs such as money to buy sugar, cooking oil, bathing soap and school fees for children. It promotes co-existence, tolerance and social cohesion between different stakeholders working in the community (Chivasa 2018).

VSLAs scheme is one of the Accumulating Savings and Credit Associations (ASCAs) varieties widely utilised by individuals and groups in resource constrained low income communities world-wide. ASCAs scheme are known world-wide with varieties of names. For example, in Germany and Austria the scheme is called *Bausparkassen*, in China and Taiwan it is called *hehui*, in Japan and Korea the scheme is called *ko* and *kye* respectively. In India the scheme is called *Bishis*. In both Cameroon and Senegal it is known as *Tontine* while in Ghana they call it *Susu*. In Nigeria the scheme is popularly known as *Esusu*. In Zambia it is called *Chilimba* (Bouman 1995; Masiyiwa 2016). In Kenya the scheme is called merry-go-rounds, in Mozambique, it is called *Xitiques* (Vanmeenen 2006). In South Africa, stockvel is a generic name for *mohodisana*, *gooi-goois*, *kuholisana*, and *makgotlas* (Dohyun et al. 2016). In Zimbabwe, it is called *mukando* (singular), *Mikando* (plural)-maround and VSLAs scheme (Chivasa 2018).

For developing countries, like Zimbabwe, VSLAs scheme have become one of the critical survival strategies amidst poverty and inequality, thus helping low income communities to make their savings, and to eke out a living. In addition, these VSLAs schemes are becoming an informal social security, in response to the fall in value of Zimbabwean dollar against United States dollar (USD), and the erosion of confidence in the banking system owing to the lifetime savings by depositors that evaporated overnight in 2008 (Musarurwa D 2018).

At the time of writing this report, Zimbabwe is faced with economic hullabaloo due to rising inflation, and skyrocketing prices of basic commodities, decreasing the value of people's meagre income. The continuous devaluing of the Zimbabwean dollar against the USD is eroding people's purchasing power, and making it harder for ordinary citizens to meet their daily needs (Mandikwaza 2019). The 2018 statistics on informal economies positioned Zimbabwe on number two with 60.6% after Bolivia with 62, 3% standing at position number one across the globe. The growth of the informal economy in Zimbabwe is due to rising unemployment, poverty, and inequality (Musarurwa T 2018). Typically, the July 2019 estimates by World Bank showed that food prices rose by 319% with an estimated 5.7 million people across the country living in extreme poverty in Zimbabwe by October 2019 (Wiggins 2020; World Bank 2019). Statistics on levels of inequality, unemployment and poverty are building on from the preceding years. FinScope Zimbabwe (2011) reported that about 61 per cent go without cash at some stage while 36 per cent skip a meal due to lack of money or food.

Supportively, Fowler and Panetta (2010) noted that agriculture, which forms the basis of food production especially for the majority of rural people in Zimbabwe, has declined sharply due to persistent droughts and economic crisis in the past decades affecting food production. Remarkably, in Seke district, where the current study was conducted, as at 2015, the average poverty prevalence in all 21 wards stood at 56% (United Nations Children's Fund (UNICEF 2015). The decline in food production has propelled some rural people to devise livelihood strategies one of which was the adoption of VSLAs scheme. Against this background, this study tested the utility of the action research (AR) in establishing a low-cost VSLAs scheme intervention, with a view to assess the extent to which the scheme can improve the livelihoods of members of the scheme, and draw lessons for future interventions.

Between 2014 and 2015, the researcher collaborated with a group team of 14 adults, seven males and seven females, and embarked on a research project to create a VSLAs scheme. The establishment of a VSLAs scheme followed AR methodology, traditionally defined as involving two change agents; the external and internal that are involved in a research process, on equal footing in order to find a solution to the identified problem. At the heart of AR is learning and service provision to the community, that seeks to understand the context in which a practice takes place, how well a practice is working and coming up with modalities to scale up the practice (Bradbury 2015). In this study, the whole research process was collaborative from sample selection, planning, designing, implementation and evaluation. The intervention was tested in ward 8 of Seke district, Zimbabwe. The purpose of the intervention was to test whether, and under what conditions, the VSLAs group scheme can be an effective socio-economic improvement mechanism taking Seke district as a point of reference.

To address the central argument, the study is structured as follows: Firstly, location of the study, methodology, the data collection methods and ethical issues appended by procedures employed in testing the VSLs scheme are described. Next is a discussion on the significance of VSLAs scheme, followed by some reflections on the researcher's positionality in the research process. The contributions of action research are then presented, followed by Conclusions and recommendations.

Study location

The study was conducted in ward 8 of Seke district, which is predominantly Shona and all respondents were from the Shona cultural grouping. The researcher is a native Shona, and is not only familiar with people in Seke, but has lived and intimately shared experiences on regular basis for the past two decades since 1997. Seke district is one of the nine districts in Mashonaland East province, Zimbabwe. It has 21 wards consisting of eight communal and 13 commercial wards.

Crop production is the primary means of livelihood in Seke district. Crops include maize, groundnuts, sweet potatoes, small grains (such as millet), cow peas and beans, while livestock includes traditional chickens, goats and cattle. Ward 8 which is the focus of this study is a communal area, which largely relies on subsistence crops and livestock farming. Proximity to Harare and Chitungwiza agricultural markets has propelled market gardening, involving crops such as tomatoes, onions and other vegetables grown as cash crops providing livelihoods for households. To supplement their livelihoods, some sections of rural people in ward 8 have adopted a VSLAs scheme (Chivasa 2015).

Ward 8 was selected based on two considerations, firstly, because of its proximity to the researcher. Second, of all the 21 wards in Seke; ward 8 took the initiative to create an association called Seke rural cluster in 1998. This association was instrumental in the creation and proliferation of *Mukando* scheme across the various wards in Seke rural district. The experiences of ward 8 on *Mukando* scheme which spans to more than two decades, was the impetus for the present study to conduct this study. All other VSLAs scheme were established without an academic component. This study was an attempt to address the identified gap. As a scientific method, AR was considered appropriate for this intervention due to its potential to assist the group that the researcher collaborated with, to better understand problems affecting VSLAs scheme and generate solutions to those problems. The researcher was building on the basic assumption that scientific methods are seen as a reliable guide towards informed and effective action (Lisa 1984). Consequently, academics and practitioners consider AR as a strategy that brings together different actors involved in addressing development challenges (Johannsen 2001). It is also considered a useful strategy to address immediate and practical problems, with a view to contributing to theory and knowledge, and to improve practice (Lisa 1984).

To conform to scientific requirements, ethical responsibilities in the context of this study were identified and observed. In the first place, ethical issues had to be discussed and debated. Although rural communities were more open than they were prior to 2014, due to political polarization there was still fear among some members of being labelled as sell

outs. The concept of sell out was prevalent during the liberation war in Zimbabwe and it denoted individuals or groups who were not in support of the Zimbabwe African National Union Patriotic Front (ZANU PF) freedom fighters. As from 2000, it came to mean any member of the Movement for Democratic Change (MDC) who were seen as misguided sell outs (*zvimbwasungata*-in Shona language) needing political re-orientation. As such, in rural Zimbabwe, public perceptions on associations such as self-help groups considered them not of political nature.

Despite the positive public perception on self-help groups, as a research team we knew that there were possible risks associated with bringing people to form an association, but we were prepared to deal with any possible risks. For that reason, we were careful in the way we carried out our meetings. For instance, we made it a point to conduct our meetings at a local church, building on the notion that Christianity and development issues are cousins. Securing a church venue was not a hassle, because one of the committee members happened to be the minister of religion in charge of the church building where we conducted our meetings for nine consecutive months. We also, made it a matter of principle to conduct meetings during day time, to avoid the perception of being labelled otherwise. With all these precautions in place, the research team made informed decisions to participate in the creation of VSLAs scheme, as well as participating as co-researchers in the context of my post-graduate studies. At the end, my research team felt empowered to participate in this socio-economic initiative, since it was meant primarily to serve the perceived interests of the community, and secondarily to meet my research requirements.

Methodology and data collection

This study was predominantly qualitative, because of its propensity to rely on people's experiences, perceptions and beliefs. As such, one set of data on procedures to establish VSLAs group scheme was solicited from documentary review on reports and field guides on VSLA schemes. Another set of data was solicited from planning meetings and procedures that we used to establish the group scheme and lastly, from monthly meetings, and group discussions by group scheme members.

Using documentary review, the researcher examined components of VSLAs schemes, namely group formation, fund development, ownership, governance, self-regulation, transparency and accountability. However, due to space restrictions, this study reflects on three primary components namely; group formation, fund development, and management of the scheme. Specific works with a world-wide application on components of VSLAs scheme consulted were Vanmeenen (2006); Allen (2002, 2006) and VSL As scheme field guides (Allen and Stachle, 2006; International Rescue Committee, 2012; Vanmeenen & Bavois 2010). These field guides did a service to this research, in that they added some weight on the need for community participation in the design and creation of VSLAs scheme, in which case the researcher got the inspiration to adopt the AR research methodology.

In the current study, AR was employed as an innovative measure to intervene for purposes of improving socio-economic conditions of the poor and disadvantaged people in ward 8 of Seke district. The overall goal of adopting AR in the current research was to cre-

ate low-cost, self-sustaining intervention to reduce levels of vulnerability to poverty and hunger in some sections of the population in ward 8. AR afforded ordinary people in the ward under review spaces to take responsibility for their own socio-economic wellbeing and empower themselves through collective efforts, information sharing, and in producing solutions to their socio-economic challenges. This culminated in the establishment of a ward-level VSLAs scheme representing 10 of the 29 villages in ward 8. Procedures employed are summarized in the Table below with more details in the subsequent section.

Table 1: Procedures for the establishment of the VSLAs scheme in ward 8

Action research stages	Steps taken
What we did	<ul style="list-style-type: none"> – Researcher made use of existing networks to secure buy-in from one minister of religion; – We purposively selected individuals that we had prior contacts with and recruited them into a circle of would-be participants; – an information meeting was convened to secure buy-in on the need to form a group scheme.
How we did it	<ul style="list-style-type: none"> – We started with identification of problems that warrant group scheme – The group created a cash fund through individual contributions on both weekly and monthly basis – A steering committee of seven to assist in the day to day running of group scheme was established
What we have achieved	<ul style="list-style-type: none"> – A group scheme was in place and operational – we acknowledged that the process leading to the establishment of a group scheme was participatory in that members were consulted – we conducted a self-evaluation through which we learnt that challenges such as absconding meetings, an non-representation of youth groups needed urgent attention.
What we have learnt	<ul style="list-style-type: none"> – one of the outcomes was that individuals can form self-initiated groups without capital from a donor – another was that people can take responsibility for their own wellbeing by means of such low cost yet empowering initiatives

Source: Data from the field

In terms of sectoral composition, the 15-member group scheme comprised of security, religion, traditional leadership, politics, business, subsistence farming, civil society, education, and health sector. The ages of group scheme members range from 40 to 70 years, and there were eight females and seven male adults inclusive of the researcher.

Procedures for the establishment of the VSLAs scheme

This section explicates procedures employed by a 15-members team to establish a VSLAs scheme in ward 8 of Seke district using the AR methodology.

What we did: To ensure collaboration with local community members, the researcher's first port of call was to purposively identify one minister of religion he had prior contacts with. Both of us had attended a conflict resolution workshop facilitated by ecumenical church lead-

er's forum (ECLF). One of the topics that was covered during the workshop centred on livelihoods, and the role of income generating projects in improving socio-economic conditions as a pre-requisite for conflict prevention. The researcher considered working with people who already had some knowledge about ways of improving their livelihoods, rather than dealing with raw community members. Before securing buy-in from the minister of religion, the researcher explained the purpose of his research, and showed an ethical clearance letter from the University of KwaZulu-Natal. In preparations to create VSLAs scheme, we established the criteria that would-be VSLAs scheme members were participants that had attended the conflict resolution workshop facilitated by ECLF. Our target group for the VSLAs scheme were the 30 individuals that attended the workshop. We started with an appeal to our memories to identify those whom we knew had participated in the workshop. We targeted individuals within close proximity to each other, to ensure convenience for everyone in attending meetings. We purposively selected four would-be group scheme members, of which two were males and two females. After securing buy-in, we recruited them into a circle of would-be group scheme members. We then asked them to individually recruit their peers using the snow-ball sampling technique, and a total of eight participants (six female and two male adults) was achieved.

From the outset, we had it in mind that the councillor was a key stakeholder in development issues at ward level. As such, we co-opted a councillor as a committee member. To attain a 15-member target we added the two of us, plus four that we recruited, councillor plus eight members recruited by their peers. The idea of a 15-member committee came about after we had made some consultations with other members of VSLAs scheme in other villages that these formations comprised of a membership ranging from 10, 20, 30 or more. We settled for a 15-member group, borrowing from focus groups concept in which a group of six is considered a small number while 15 is a larger group.

On the actual day when the VSLAs scheme was to be created, the minister of religion called for an information meeting, in his capacity as the ECLF district focal person. Prior to the information meeting, the minister of religion and researcher, had agreed that he was to take up the interim chairperson position, appoint one woman as deputy chair and researcher was to hold the position of the secretary. The other posts such as treasurer and committee members were to be self-selected by their peers. Of the 15 would-be group scheme members, only 10 members turned up. As such, during the course of the information meeting, members in attendance endorsed the minister of religion to take up the interim chairperson, the deputy and the researcher was also appointed secretary, with endorsement by would-be group scheme members. The other posts such as committee members we used a voting system. Would-be group scheme members who did not turn up were voted and seconded by their peers to occupy positions in the group scheme. Accordingly, a 15-member VSLAs scheme was created on the day of the information meeting.

How we did it: The process leading to the establishment of the VSLAs scheme followed five subsequent stages of AR according to Coghlan & Brannick (2014). These were problem identification; action planning; taking action; evaluation and re-planning.

Problem identification and action planning: The first and second stages involved problem identification and action planning. To test the VSLAs scheme, the researcher made use of

prior contacts with other stakeholders and the minister of religion who played the role of the interim chairperson, while the researcher facilitated the process. Conflict issues that prompted us to establish a VSLAS scheme involved financial vulnerability of the poor and unbanked ordinary people, poverty, hunger and food insecure households, and the unavailability of finances to pay school fees. These variables emerged from baseline data drawn from informal and formal interviews and discussions with key stakeholders prior to the establishment of the intervention. Some of these conflict issues emerged during the planning stages, while others were identified after the VSLAs scheme was already established. Since a ward-level VSLAs scheme was witnessed first time, the researcher regarded the process of designing and implementation of the scheme as a learning curve, because in AR a practitioner provides service to the community through expert knowledge (theoretical), as well as seeking to understand how well a practice is working while members of the community provided experiential knowledge.

Taking action: In creating a VSLAs scheme, we followed three components: group formation, creation of cash fund and management of the scheme.

- *Group formation*

The chairperson called for a day of information meeting. The interim chairperson consulted with would-be group scheme members that turned up, and we agreed to form a VSLAs scheme using the self-selection process in which individuals volunteered to occupy certain positions while at the same time the entire group approved their appointments. The researcher was appointed secretary of the group scheme. The minister of religion was endorsed to take up the position of chairperson by all group members.

Our 15-member group comprised of individuals who already had close contact, but also with similar characteristics. The group involved a closed community of friends, relatives or people with a common bond. Our group comprised of women and males who had prior contacts and trusted each other. Membership into the group scheme was based on attributes such as honesty, trustworthiness, responsibility, patience, considerate to mention but a few. These criteria were specified in VSLAs scheme field guides by Allen & Staehle (2006); International Rescue Committee (2012); Vanmeenen & Bavois (2010).

- *Creation of cash fund*

The group created a cash fund through individual contributions in the first two month a weekly in seven month on or monthly basis, which accumulated on the basis that money was loaned out to members at an agreed interest of 10% with all members borrowing on a rotational basis. At the end of a nine month circle the cash fund was shared out equally (Chivasa 2015).

- *Management of the scheme*

Following the formation of the group scheme, a meeting was convened in which the chairperson deliberated on how we were going to form a partnership in the context of my research, to which all group members agreed. The group held weekly and monthly meetings on every last Friday of every month for a period of nine months, during which period the cycle ended. In Seke district, Fridays are sacred days in which people rest at home from their daily routines in the fields and other activities outside their homes. The primary role of

holding meetings was to facilitate regular group meetings, balancing of books, enforcing by-laws, ensuring that money that is loaned out to members is paid to keep the cash fund revolving, and making sure defaulters charged with cash penalties are paid up. Over a period of nine months after its formation, the group scheme engaged in a self-evaluation process.

Evaluation and re-planning: Prior to evaluation, we designed the evaluation guide with input from all participants. In the evaluation we examined ‘*procedures used for setting up the VSLAs scheme*’, ‘*challenges experienced*’, ‘*knowledge gained*’ and ‘*lessons learnt*’. We conducted self-evaluation which van Niekerk & van Niekerk (2009, p. 138) defined as a process in which “individuals assess their own behaviours by simply recalling, examining and reflecting on their own actions with the help of other members or individuals.” Self-evaluation gave a sense of ownership to members of the scheme. The evaluation process was facilitated by the chairperson of the group scheme, while all participants were seated in a circular format. The chairperson read each question, and everyone participated in analysing the accompanying responses, and as secretary of the scheme, I was involved in recording the proceedings manually and complemented by a voice recorder to capture all that transpired. In the process, all members shared their experiences, and listened to one another in an atmosphere of openness and mutual understanding. At this point, group discussion was the primary data collection instrument, which captured shared experiences and perceptions of procedures employed in forming the group scheme, challenges faced and lessons learnt. To gain perspectives from different participants, where appropriate the direct words of participants were used for the purposes of this research. Also, to protect confidentiality of participants, the researcher identified them according to their sectors in the section: *What we have learnt?*

What we have achieved: We developed an evaluation tool in the form of an interview guide as a team. The self-evaluation was a learning curve, in which we assessed our practice with a view to draw lessons on what worked, and what did not work for us.

- *On procedures*, we acknowledged that the process leading to the establishment of a group scheme was participatory, in that members were consulted, and they participated in approving individuals who were appointed to positions on the day of the information meeting.
- *On challenges*, we identified the non-regular attendance at meetings by certain members of the scheme. This was because, after the creation of the group scheme, members agreed to meet on a weekly and a monthly basis to discuss matters pertaining to the sustenance of the scheme, and to receive funds loaned out to members. The biggest challenge was that attendance was sometimes below half, and sometimes it was half the full membership. Regarding the fluctuation in membership attendance, we resolved that those who were determined to attend monthly meeting, should not be deterred by defaulting members, as this was a common characteristic occasionally found among human beings to take a wait-and-see attitude, whenever the initiative is in its infant stages. Another challenge raised was the non-representation of youth in the group scheme. However, participants acknowledged that the non-representation of youth in the group scheme was not deliberate, but a coincidence in that only elderly men and women were the ones who availed themselves for the information meeting.

- *Resolutions:* We resolved that, to ensure youth representation, we were going to encourage the creation of other group scheme in which case they were going to advocate for one or two youths (male or female) in each group scheme to represent the interests of youths in self-help schemes. Self-evaluation was not overly ambitious or beyond our reach considering that after a period of nine months we were able to evaluate monthly activities and came up with recommendations and plans of action, which include among others starting another cycle. Of all the identified challenges, non-regular attendance by some members appeared to pose a threat to the sustainability of the group scheme. To discourage non-attendance, the group scheme members applauded those who were determined not to be deterred by defaulters. This encouragement demonstrated collective efficacy among members of the scheme, which could facilitate the sustainability of VSLAs scheme intervention, particularly if the members continues to be united by a common purpose, and an interest to improve their livelihoods in their villages.

What we have learnt: One of the outcomes of the VSLAs intervention was new knowledge gained through the scheme. Interestingly, we learnt that an individual or a group can start a project with what they already have in their homes, instead of looking for a donor or borrowing money to fund a project. One member of the scheme was quoted as saying:

It was out of this knowledge that I became interested in resuscitating my project, which I had long forgotten, because I held to the view that a project becomes a project only when I have received money from a donor (Traditional leader, Female, early 70s).

Another member insisted that through the VSLAs scheme we learnt a number of lessons when she said “people learn that money has other functions besides buying meat and beer” (Ward co-ordinator, Female, mid 40s). For her, “VSLAs is about learning to save” she insisted. The overriding view held by all members in attendance was that the struggle against poverty is won when people work together and start embarking on saving initiatives for purposes of starting income generating projects to improve their livelihoods. Although we all were of the view that most people do not want to be innovative, and start income generating projects which leads to poverty and underdevelopment, all members agreed that individuals should come together and start projects such as VSLAs scheme to improve their socio-economic conditions.

Another outcome of the intervention was the knowledge that through the VSLAs scheme community members are able to take care of their own needs by addressing challenges such as hunger, provision of school fees, and construction of houses. Typically, on the side-lines of the committee meetings, many women that the researcher occasionally talked to expressed sentiments that the scheme was central to their day-to-day lives, and was increasingly becoming part of their occupation. They pointed out that some young women in their villages were increasingly becoming interested, and were joining the scheme in their respective villages, in order to develop their skills in entrepreneurship and improving their livelihoods. The majority of women made public declarations that they were committed to the scheme in order to be self-sufficient. One woman was quoted as saying “the scheme chased away conflicts in my house because we no longer fight over money to buy vegetables at home with my husband” (Health, Female, mid 40s). The issues raised by

these women were mainly to do with conflicts over insufficient basic needs, squabbles over money for sugar, cooking oil, bathing soap and school fees for children. They believed that development cannot be achieved on empty stomachs. For them, development involved having enough to eat in the home and community.

The researcher observed that although members of the scheme did not mention development, they were in fact involved in development, through the improvement of livelihoods of rural women and men. However, it was only after the researcher had listened to stories by some members of the scheme as we conversed, that the primary aim of VSLAs scheme was to promote not only social-economic conditions, but also cohesion, trust and relationships, thus promoting development in their villages.

Finally yet importantly, the intervention enlightened us to begin to understand the significance of the VSLAs scheme.

Significance of VSLAs scheme

The merits of instituting VSLAs scheme include that it:

- Provides convenient ways of saving and credit provision to rural and disadvantaged communities, the youth and women in low income communities;
- Delivers financial services and poverty reduction to the poor and financially excluded people;
- Supplements monthly income, builds the capacities of women to buy assets, pay for children's school fees, general upkeep in the home or pay for traditional ceremonies;
- Serves as start-up capital for income generating activities as well as an insurance against uncertainties and emergencies. It builds the capacities of the poor to ride out poverty, assists the poor to build up financial assets through savings, and enhances women's social and economic status (Chivasa 2018);
- Provides spaces for scheme members to participate equally within their scheme than they would with other institutions;
- Prevents over-reliance on government for financial services;
- Encourages local groups to deal with development challenges within their scope at their local level;
- Enables development challenges such as poverty and hunger to be dealt with at local village level where they erupt, rather than having to wait for local government to discuss the matter with its bureaucratic structures, and forward its recommendations to national government to decide on those matters;
- Allows ordinary people, in particular women, youth and the elderly to creatively deal with their financial vulnerability that arise within their local contexts;
- Allows local group scheme to be self-regulatory to address problems affecting their wellbeing at the local level;
- Builds up financial assets and creates solidarity groups, peer-to-peer learning, provides psycho-social support, financial education and business development skills and the creation of support network systems (Zheke 2010);
- Creates a platform for non-violent conflict resolution amongst members of the scheme

- Enables young girls and women to explore issues of concern affecting the girl child (Miller, Swayer & Rowe 2011).

In spite of the above, the downside of VSLAs scheme is that it heavily relies on trust and friendship, as such, other members after reaching their turn to receive the lump sum may pull out before the circle is complete breaking the chain thereby making the VSLAs scheme ineffective.

Reflections on the researcher's position as secretary

The researcher's entry into the social space to set up a VSLAs scheme in Ward 8 occurred within the context of prior contacts with members that he collaborated with. In the context of a research study, prior contacts can pose some potential risks to the shared social space. The risks border around over-familiarisations or manipulation of the process by the researcher which can potentially distort the results (Burns, Harvey & Aragon 2012). Being cautious of these possibilities, I had to be honest with my co-researchers as to why I preferred to work with people I already knew, rather than with those I had no prior contacts with. One of the major reasons was that I wanted to understand how and to what extent VSLAs scheme can improve people's livelihoods from an insider's point of view. The merits of gaining access to individuals I had prior contacts and interactions with outweighed the interactions with individuals with whom I had no prior contacts. Thus, this report was written from an insider's point of view (Chivasa 2019).

Regarding the establishment of the VSLAs scheme, ordinary people in ward 8 had no intention of taking on board the AR methodology, because the creation of the VSLAs scheme had no academic component from the outset. I was not the only one who came up with the idea of creating a VSLAs scheme: the idea came from my research team which included myself, after having undergone a three-day conflict resolution sensitisation workshop which was administered by one civic organisation called ECLF. After the workshop, members were urged to decide what to do next to ensure their community addresses and development challenges such as poverty, hunger and food insecurity. The 30 participants, including myself, resolved that creating a VSLA scheme was a worthwhile intervention. The creation of a VSLAs scheme coincided with my study in Seke district which had already secured ethical approval from the University of KwaZulu-Natal. The objective of my study was to test whether and under what conditions self-initiated interventions can be effective in promoting the improvement of livelihoods. AR was my proposed methodology. Two interventions were concurrently established in ward 8 namely; a ward peace committee (see Chivasa 2017) and a VSLAs scheme, which is the focus of this study.

There was no standing committee to spearhead the creation of the VSLAs scheme. Two months after we had made a resolution to create an intervention, I approached the minister of religion who was co-ordinating the workshop, and later became the interim chairperson of the VSLAs scheme. I explained the purpose of my research to him and asked for possible collaboration, and he agreed. During the planning sessions, I appointed myself to the position of an under-secretary for planning purposes. Two factors contributed to the adoption of the AR methodology prior to the creation of the VSLAs scheme by the research team.

Firstly, it was my brain child, in line with my research and my involvement in the planning process that led to the use of AR in setting up the VSLAs scheme. Prior to the creation of the group scheme I took time to explain to the chairperson, and to highlight to him the advantages of using the AR method that it was going to benefit us all. Among the benefits were that the AR was going to help us assess the processes used for creating group scheme, provide us with insights to understand procedures for establishing a VSLAs scheme with a view to learning from our practice, so as to improve similar interventions in future. Since the interim chairperson was conversant with reading English I did not experience any hassle after explaining and illustrating to him by way of pictures using some pictures of the AR to get him on-board. I borrowed the idea of sharing the AR pictures to co-researchers from van Niekerk & van Niekerk (2009) who also shared pictures with co-researchers that they worked with, using AR methodology in South Africa.

Secondly, the adoption of AR, resulted in the use of a structured interview guide in the evaluation process, nine months after we had established the VSLAs scheme at ward level. A companion article, has examined the evaluation process undertaken by the group under review (see Chivasa 2019).

My insider position gave me the legitimacy to keep the minutes, as well as collecting data and the process of designing and implementation of the intervention. Because of the flexibility and open-endedness of the process, I was appointed deputy chairperson at first, but I declined that offer, and opted for the secretary's position, and all the members who were present approved my self-appointment. I opted for the secretary's position, because I was hoping to continue documenting events and processes which I had begun prior to the creation of the peace committee. The position of the secretary was helpful for me, because I had access to data, and I could easily do member checking during meetings to validate data. However, although I (as secretary) held a position of power on the committee (in charge of taking minutes), local dynamics on the ground and the participatory engagement of the entire process at the end led to a process where committee members did not just participate, but influenced the whole process.

In other words, members of the scheme influenced the research process, including the writing process of the manuscript in the context of my post-graduate studies. This was so because at first, being guided by research time-frame, I wanted the intervention to be evaluated three months after its establishment. However, this plan did not materialise as the group members did not have a date for evaluation until after nine months, when the cycle was complete. That being the case, a point has to be made that participation often results from very different, not always open nor always fully compatible with, individual interests. Thus, the experience of collaborating with local people as an insider was a learning curve for me. From this hands-on, one of the lessons learnt was that when one is dealing with local community members, there is need to learn how a community works. The reality in the context of ward 8 of Seke district is that life in the community is more habitual than cosmetic, and therefore adjustment, patience, focus, commitment and courage should be embraced to achieve any desirable goal.

Overall, the position of the secretary was a distinct advantage, as communities are somewhat sceptical of outsiders to get involved into their daily activities, and therefore their involvement and access to sensitive data may be restrictive. It provided me with an

understanding of how communities work, when it comes to variables such as gender dynamics in decision making and shift in gender stereotyping that women can hold positions of authority and chair a VSLAs scheme. Some of these dynamics would certainly have been difficult for an outsider.

Formal and informal meetings and discussions were convened, presided over by the chairperson. Given that I was the as secretary of the group I was studying, a trustful relationship was established and sustained during the period under review. A trustful relationship was facilitated, because the position of the secretary gave me the opportunity to discuss both formally and informally with fellow VSLAs scheme members, regarding what worked and what did not work during meetings and in other fora. As a matter of fact, this relationship has outlived the nine months period we worked together in the VSLAs scheme.

Reflections on the contributions of action research

Results of the study indicate the power of AR to facilitate interactions between individuals from the bottom-up, in which case people experiencing problems become innovative by creating partnerships to share experiences, knowledge and work together to learn from their experiences. However, VSLAs scheme is not traditional or government-led but a third way. It is not meant to replace mainstream financial systems, but to come up with hybrid forms of addressing the plight of the poor, unbanked and financially vulnerable people. Given that participation lies at the heart of AR, this study argues that multi-stakeholder participation can serve as the prime means to bring mainstream financial institutions and bottom-up initiatives to come together to help promote hybrid systems that serve the interest of local people. This is so because AR allows individuals and groups working as a collective to learn from their experiences and participate equally in coming up with solutions to problems affecting in their wellbeing. As such, the implications of AR for mainstream financial institutions is that as a social group specific methodology, AR can facilitate collective participation as individuals and groups become adoptive and innovative, by forming partnerships and joint ventures to address development challenges. Thus, without the involvement and participation of all relevant social groups and constituencies in development issues, the question that arises is whether we are experiencing development at all.

Over and above this, the AR process reported in this study showed that ordinary people in Seke district demonstrated the ability to resist traditional or government-led initiatives, to adopt a third way through the creation of a VSLAs scheme in their villages. VSLAs scheme is a third way in that it comprises of various stakeholders, such as the elderly, women, youths or specific religious groupings. It is inclusive of all social groups, including the vulnerable and marginalized groups such as women and youth. The merits of inclusivity and gender sensitivity of VSLAs scheme offers it a very strong niche in development discourses. Any woman or man can chair the group scheme. For that reason, women can occupy strategic positions, such as that of chairperson, deputy or secretary, which are usually a preserve for men in traditional structures (Chivasa, 2018). Thus, the formation of a VSLAs scheme by ordinary people in their own villages and subsequent evaluation marks a slight shift from top-down/elite driven development initiatives, which often come with already laid down objectives and templates. This form of local agency sets a pace worth emulating, which other communities can learn from and replicate.

Conclusion and recommendations

The overall goal of adopting AR in the current research was to create low-cost, self-sustaining intervention, to reduce levels of vulnerability to poverty and hunger among other social problems to the group members. Out of a hands-on experience of working with small advisory team of 14 members in Ward 8 of Seke district, the researcher learnt that low-cost, self-initiated interventions are often small and simple. Community-led initiatives are small, in that they are not complex. One of their distinguishing characteristics is that usually they do not involve official bureaucratic structures, but local structures that are within the community. A case in point is the setting up of the VSLAs scheme which involved ordinary people both men and women, sometimes sitting under a tree, but creating initiatives that embrace their common interests and needs. Such initiatives are usually guided by culture specific norms and values, and that is what makes them more informal but legitimate in their host communities.

Typically, at village level in rural communities, although the village head is hereditary, he/she is expected to embrace the participatory approach where people have opportunities to participate and discuss matters together, and come up with common agreement, whenever there is an issue that calls for collective efforts or not. From this point on, the researcher began to understand that the VSLAs scheme operating in rural communities is another formation which replicates the village assembly in one way or the other. This participatory dynamic was played out from the planning stages, implementation and evaluation of the intervention.

In addition, the researcher had learnt that community-led initiatives, although they may not carry a scientific component, are in fact participatory, in that they are locally-owned and involve ordinary people with common interests and taking responsibility for their well-being, through planning, designing and implementation, and that is what makes the initiative more sustainable. However, the important thing about community initiatives is that, although they are small and simple, they address the community's basic needs and challenges. One of their biggest challenge centres on poverty stricken, gender-inequality and they lack resources. Notwithstanding these challenges, community-led initiatives are participatory in nature, and are designed to meet the needs of the host community.

Regarding the sustainability of the work started, it is important to note that among the members of the VSLAs scheme, social capital was a critical factor, and in fact it was instrumental in the creation of the scheme. It was the existing social networks, obligations, expected behaviours and privileges between members of the scheme that facilitated the establishment of this self-help group scheme. The availability of social networks suggests possibilities of sustainability of the scheme both in the short and long term. The features of sustainability include ability by members of the scheme to meet regularly for a period of nine months that we worked together, and a sense of community which were demonstrated when members of the community took responsibility for their own wellbeing, through the creation of an intervention to address their socio-economic conditions without any external agency.

Through this hands-on, the researcher came to understand the benefits of the VSLAs scheme are compatible with AR, in that VSLAs scheme seek to empower the disadvantaged

by creating spaces for collaboration, reflection and coming up with context specific solutions. To this end it is logical to argue that AR methodology is compatible with the routine activities by members of the scheme, which involves discussion of various topics, some of which spilled over into issues beyond the monetary, such as conflict resolution, reduction of domestic abuse, increased community policing, and other community issues.

However, the emergence of COVID-19 has put VSLAs scheme at risk, and continues to impose uncertainty on its survival, as the widespread lethal consequences of the virus on socio-economic, political and cultural lives is being felt world-wide. As such, there are speculations that the imposition of social distancing has already disoriented VSLA schemes, as they rely on close-face-to-face contact to sustain their operations. Human contact is hugely important in establishing and maintaining trust. This is also true for many other activities, including social ceremonies, worship services and academic institutions. These social contacts offer the group a unique opportunity to provide a supportive environment for social harmony, trust, co-existence and social networks.

While it may be too soon for VSLA schemes to have made any significant changes in response to the COVID-19 virus, they are faced with only one option, that is to discuss about how they must do things differently during this era of the COVID-19 virus.

The following measures can help to sustain the scheme both in the short and longer term:

- Individuals protecting one another, thereby reducing group transmission
- Observe social distancing rules and regulations introduced to contain COVID-19;
- To prioritise safety precautions such as avoid holding hard cash but adopt electronic transactions to prevent the spread of the virus;
- Improvise innovative ways to maintain a form of contact without spreading the virus, such as widespread use of cell phones as a vehicle to maintain social distancing; and prevent the spread of the virus.

It is widely accepted that there was not enough time for preparation and re-orientation to all self-help schemes about COVID-19 on one hand. On the other, if social distancing is not adopted, the number of cases and deaths are likely to skyrocket in low income communities due to the spread of COVID-19. What is clear is that current approaches to VSLAs scheme are not only ethically problematic, but also highly risky to individual members of the scheme.

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About the author

Norman Chivasa, Research Fellow, International Centre of Nonviolence, Peacebuilding programme, Durban University of Technology, Durban, South Africa

Author's address

Norman Chivasa
International Centre of Nonviolence
ML Sultan Campus
Durban University of Technology
P O Box 1334 Durban, 4000 South Africa
Email: normanchivasa@gmail.com