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AN APPRAISAL OF THE ROLE OF WOMEN’S ROTATING SAVINGS AND CREDIT ASSOCIATIONS ON HOUSEHOLD LIVELIHOODS: A CASE OF MKHOSANA TOWNSHIP IN VICTORIA FALLS

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ABSTRACT

In the post and current economic, political and financial climate of Africa, Rotating Savings and Credit Associations (ROSCAs) have been rediscovered as organizations with potential to foster household livelihood security and to reduce poverty in Africa. In many developing countries, women are discriminated upon in terms of their access to capital means of production; basic needs support, employment opportunities and formal financial institutions have long been excluding a majority of women. There is, therefore, a shift away from a formal financial institution by women to member controlled Rotating Savings and Credit Associations (ROSCAs). This study assesses the role played by women’s ROSCAs on household livelihoods of members. The study was carried out in Mkhosana, ward 11 of Victoria Falls in Matabeleland North Province of Zimbabwe. The study employed mainly purposively sampling and data was collected using questionnaires and indepth interviews. Research revealed that ROSCAs members engage in simple ROSCAs, consumer durable ROSCAs and building material ROSCAs and members are selected based on trust. The study found that participation in ROSCAs has enabled households in Mkhosana Township to accumulate assets, improve food security and address a number of households’ shocks. However the major handicap with ROSCAs is the defaulting of members, absenteeism and poor records keeping. The study therefore recommends that the government should influence formal financial institutions to provide capacity building trainings for ROSCAs members on effective group leadership, simple record keeping and financial management skills which will Aid in the sustainability of the groups.

Keywords: ROSCAs, women and livelihoods