

Original Paper

The Impact of Savings and Credit Cooperatives (SACCOs) on Sustainable Livelihoods in Rural Communities

Moyo, W.¹ & Gasva, D.^{2*}

¹ Department of Development Studies, Zimbabwe Open University, Bulawayo, Zimbabwe

² Department of Teacher Development, Zimbabwe Open University, Hwange, Zimbabwe

* Gasva, D., Senior Lecturer, Department of Teacher Development, Zimbabwe Open University, Hwange, Zimbabwe

Received: December 13, 2021 Accepted: December 26, 2021 Online Published: January 8, 2022

doi:10.22158/sshr.v3n1p11

URL: <http://dx.doi.org/10.22158/sshr.v3n1p11>

Abstract

This study sought to assess the impact of savings and credit cooperatives (SACCOs) on rural sustainable livelihoods using the case of Nekatambe Ward 13 in Hwange district of Matabeleland North province in Zimbabwe. The study adopted a qualitative approach and a descriptive research design which were consistent with the research problem. Using convenience and purposive sampling, local leaders, non-governmental organisation (NGO) officials and members of the existing SACCOs were selected as respondents. The major findings were that SACCOs played a significant role in sustaining rural livelihoods particularly through enabling members to fend for themselves and their families. In addition, NGOs helped cooperatives through capacitating members with knowledge and technical skills and that SACCOs impacted positively on sustaining rural livelihoods. However, quite a number of challenges are associated with SACCOs in their bid to sustain rural livelihoods; with the major ones being failure to recover loans, competition from more established cooperatives, lack of start-up capital, poor financial and managerial skills and the general national economic meltdown. From the study findings, the researchers concluded that, despite the challenges associated with SACCOs, their existence under members' resilience, has generally improved the lives of people in rural communities to generate employment, boost food production, send their children to school and empower the marginalized among other positive developments. Accordingly, the researchers recommend that SACCOs should diversify their operations and invest in fixed assets in order to curtail challenges and make lucrative benefits that can sustain their families and communities. On the other hand, the government and other concerned stakeholders should support SACCOs in order to alleviate the possible challenges that cripple them in their bid to promote rural livelihood sustainability.

Keywords

savings, credit, cooperative, sustainability, rural livelihood, communities, societies, poverty

1. Introduction and Background to the Study

This study sought to investigate the impact of savings and credit cooperatives (SACCOs) on the livelihoods of rural communities, with special reference to Nekatambe Ward 13 in Hwange district of Zimbabwe. Zimbabwe has been undergoing a socio-economic crisis over the last two decades mostly due to factors such as cyclical droughts, hyper-inflation, political instability, floods and so on; which has been exacerbated further by the impact of the HIV and AIDS epidemic (Mhembwe & Dube, 2017). Since 2020, the country's socio-economic situation has been worsened by the effects of COVID-19, an infectious disease which causes common colds to more severe disease such as Middle East Respiratory Syndrome (MERS) and Severe Acute Respiratory Syndrome (SARS) (MoHCC, 2020). Such unfortunate circumstances in the country adversely affected the welfare of people directly and indirectly as some individuals are failing even to feed their families due to the increasing levels of poverty. The majority of the Zimbabwean rural population survives below the poverty datum line; which currently stands at ZLW5092 (about USD50.92) per person per month (Zimstat, 2021). In a way, to address the problems faced by the majority of rural communities in the country such as Nekatambe Ward 13 in Hwange, a number of non-governmental organisations (NGOs) and government departments intervened; assisting through food handouts, small financial packages, seed packs and so on. However, such assistance has been inadequate and inconsistent due to current funding challenges.

The souring socio-economic hardships encountered by the rural community in Nekatambe Ward 13 in Hwange district of Matabeleland North province in Zimbabwe made them to realise the need to form savings and credit cooperatives (SACCOs) in order to improve their livelihoods. Most cooperatives deposit their funds in the banks which has proved to have its own challenges in counties like Zimbabwe where the economy is generally fragile and cash availability is scarce. Regardless of the faced challenges, the government and NGOs are encouraging the people of Nekatambe Ward 13 in Hwange and other areas to formulate cooperatives as a way to sustain themselves, their families and communities. The need to assess the impact of savings and credit cooperatives on rural livelihoods has been necessitated by lack of or limited studies on this problem in Zimbabwe hence, the need to fill the gap through findings of this study.

Some of the first-formulated cooperatives such as *Luzibo, Kubhudilila, Tubuke, Wasalawasala*, among others form part of this study to explore and understand how credit and savings cooperatives have impacted the livelihoods of the community under study in a sustainable manner. Livelihood sustainability through cooperation is evidenced by building and driving the same vision of the association amongst the people involved and also, through reduced dependence syndrome where people can manage to fend for themselves without the intervention of food programmes and NGOs. Dependence syndrome has been a challenge in most rural communities of Hwange district and Zimbabwe in general as people are noticed

with reluctance of projecting self-reliance project but simply relying on food and other handouts to survive. The challenges faced by the local people in the area under study such as lack of start-up capital and by far the challenges overwhelming savings and credit cooperatives demotivate the rural cooperation among the people hence, the need to figure them out. Moreover, the study identifies the general or common factors that affect savings and credit cooperatives societies on sustainable livelihoods in rural communities.

Hwange district is one of the seven districts in Matabeleland North province and is located in the Western part of the provincial capital Lupane. It shares boundaries with Zambia on the Northern, Botswana on the extreme western side, and Binga district on the Eastern side. Hwange district falls under natural regions IV and V that are characterized by low rainfall hence, semi-arid terrains. The greater part of the district is covered by the largest national park in Southern Africa, Hwange National Park and Waterfalls in Victoria Falls. Apart from the said, Nekatambe Ward 13 is located along the Bulawayo—Victoria Falls road under the chieftainship of Chief Nekatambe. The people in this ward are native speakers of Nambya, Dombe, Tonga and Nyanja among other languages. Amongst the rural wards in Hwange, Nekatambe Ward 13 has soils which are not conducive for maize cultivation to a greater extent, save for small grains such as sorghum and millet which the local people grow for subsistence purposes only.

From the small farming pieces of land that the local people have, the growing of small grains and the apparent low harvests expose them to severe droughts. It is a result of this situation among others that the local people through the assistance of NGOs such as World Vision (WV) and Ntengwe for Development—Zimbabwe (NDZ), have come together and formulated saving and credit cooperatives (SACCOs) such as *Kulibambila*, *Lusumpuko*, *Kwejani*, *Kalisine*, *Bhanchanani*, *Luzibo*, *Kubhudilila*, *Tubuke*, *Wasalawasala* and *Luzibo* cooperative. Thus, these SACCOs were formulated chiefly for the purpose of sustaining livelihoods in the rural area under study. Generally, the introduction and creation of these SACCOs were hailed as a panacea aimed at addressing prevalent rural poverty as they were believed to boost food security, employment opportunities, increased household income and other benefits. It is important to state that the current study was guided by the assumption that SACCOs have great influence in sustaining rural communities. Thus, stimulated by the notion of cooperatives' availability and the host of socio-economic challenges faced by the rural community under study, this study therefore sought to assess the impact of SACCOs on sustainable livelihoods in rural communities.

1.1 Statement of the Problem

Assessing the impact of savings and credit cooperatives (SACCOs) in ameliorating the livelihoods of rural communities has remained of paramount importance. It was thus, imperative and key for this study to unearth the impact of such projects in the area under study so as to have a clear picture based on empirical data and findings. This was meant to inform future projects with similar goals and objectives as well as show how self-reliant projects are capable of enhancing rural livelihoods. Non-Governmental Organizations (NGOs) have tried to intervene during times of need including during the drought season by providing food hampers among other interventions but due to funding challenges coupled with other

socio-economic hardships, addressing poverty has been unsustainable. The Government of Zimbabwe (GoZ) has encouraged Small and Medium Enterprises (SMEs) and small scale farmers to spearhead the development of both rural and urban communities through the establishment of SACCOs as a way of generating income, alleviating poverty and employment creation. In that regard, co-operatives have been identified to be one of the most important agents of social and economic development. It is in this context that there was need for the researchers to assess the impact of SACCOs in the area under study in relation to sustainable livelihoods of its members and the entire community.

1.2 Purpose of the Study

The rationale or purpose of this study was to assess the impact of savings and credit cooperatives (SACCOs) on rural sustainable livelihoods using the case of Nekatambe Ward 13 in Hwange district of Matabeleland North province in Zimbabwe.

1.3 Research Objectives

The following research objectives are propounded to:

- Determine the importance of cooperatives in society from the perspective of members.
- Evaluate the factors affecting savings and credit cooperatives' sustainability in rural communities.
- Determine the impact of savings and credit cooperatives on members' lives in relation to the socio-economic goals of their community.
- Evaluate the role of Non-governmental organisations (NGOs) in cooperatives' goal of sustaining livelihoods in rural communities.
- Assess the challenges associated with savings and credit cooperatives in sustaining livelihoods in rural communities.

1.4 Significance of the Study

Upon the completion of this study, a number of players that deal with the cooperatives movement in the district of Hwange, in particular, and other places across the globe will possibly benefit from the study as it is envisaged that they will learn from and improve using the findings and recommendations as reference notes. The study endeavours the importance of SACCOs to members and their families' socio-economic wellbeing which may motivate members to have positive attitudes towards the SACCOs. The outcome of the research is also expected to contribute to the available literature by adding new findings and insights to the existing knowledge for further use by future researchers who will be interested in the same area of study. Thus, the findings are expected to advance knowledge frontiers in the field of savings and credit cooperatives on sustainable livelihoods with particular reference to rural communities.

1.5 Theoretical Framework

A theoretical framework entails a frame or group of related ideas that provide guidance to an empirical investigation (Mahoney, 2013). This study was informed by the participatory theory (Parrott, 2011). Participation is both a conceptual and methodological approach that can be modified to changing social contexts and scenarios. Therefore, the theory underpinning the study is relevant as it cross-examines how

participation grew out of the recognition that the community's poor have actually suffered as a result of lack of participation in development programmes. The theory also implies that for the effective sustainability of rural livelihoods, everyone needs to be involved in development decisions and implementation through active participation. Thus, in the current study, this theoretical perspective was applied in order to interrogate the impact of SACCOs on rural sustainable livelihoods with special reference to Nekatambe Ward 13 in Hwange district.

2. Review of Related Literature

The review of related literature was anchored on the impact of savings and credit cooperatives (SACCOs) on the livelihoods of rural communities; with the subsequent goal of contextualising the literature to the current study. In this review, the researchers looked at the related previous studies as well as identification of knowledge gaps in the reviewed related literature. The term sustainable livelihood is used for its focus on opportunities that allow youth and women to sustain themselves economically, an assertion that livelihood is often used interchangeably with economic strengthening and generally refers to economic production, employment, and household income (World Bank, 2007).

The SACCOs' history can be traced back to the 19th Century; based on the origins of modern economic cooperation. Their formation enabled them to be self-reliant and no longer depended on money lenders and to find the credit necessary to modernize their operations (MUCCoBS, 2005). Mwelukilwa (2001) says that the first experiences of savings and credit cooperatives in Africa were as a result of the work of foreign missionaries. Many of the first savings and credit cooperatives emerged in the English-speaking countries, primarily in Uganda in 1946, Nigeria in 1951 and Ghana in 1955 (Mbwana & Mwakujonga, 2013). In Tanzania, SACCOs emerged in 1954, Kenya in 1964, Liberia in 1965, Sierra Leone, Zambia, Botswana in 1967 and Zimbabwe in 1963 when the first savings club was formed in Southern Rhodesia (MUCCoBS, 2005). As further noted by MUCCoBS (2005), the expansion of cooperatives in Africa took root in the French - speaking regions of Africa before gradually doing the same in the rest of the continent.

Savings and credit cooperative (SACCOs) are known to play a significant role in improving the livelihoods of rural communities the world over (Wanyama, 2009). The same source says that SACCOs are associations created voluntarily or cooperative financial institutions owned and controlled by the founding members. They operate for the purposes of promoting savings, providing credit at low interest rates and other financial services to its members who regularly pool their savings, and subsequently may obtain loans, which they may use for different purposes. In general, the idea behind the establishment of savings and credit cooperatives is to promote savings and make credits available to the members. Maghimbi (2010) asserts that SACCOs play a vital role in promoting the socio-economic development of rural poor communities. Therefore, it can be premised that savings and cooperatives are the significant micro-financing institutions for mobilisation of financial resources for various development activities in the rural areas that can assist in the sustainability of the people.

The importance of SACCOs on sustainable livelihoods in societies cannot be overemphasised. Due to the rate of unemployment particularly in developing nations, cooperatives play a significant role in many national economies including Zimbabwe by enabling a great number of self-employment opportunities. Wanyama, Develtere and Pollet (2008) projected that the cooperative sector in fifteen African countries were responsible for creating one hundred and sixty thousand direct jobs. Besides, on the part of employment, cooperatives offer direct wage employment to people, self-employment and indirectly employ other people through the spillover effect of cooperative activities to non-members, who generate income through transactions and opportunities created by the cooperatives. The employment enhance participation in the economic activities making it possible for participants to be guaranteed a decent income and a living as they manage to provide shelter to their families, pay their children tuition and manage decent meals among other assistance from the projects. However, Schwetmann (2004) argues that the role of cooperatives in creating employment has been earlier neglected by employment planners, cooperative promotion agencies, social partners and the donor organisation alike. Although this might be the case, it is evident that cooperatives are crucial for the sustainability of rural communities hence, the need to assess the impact of savings and credit cooperatives in sustaining livelihoods in the community under study.

In spite of the efforts by the Zimbabwean government to introduce and promote Small and Medium Enterprises (SMEs), SACCOs are faced with various challenges that cripple them in effectively sustaining the livelihoods of rural communities. Schwetmann (2004) further stipulates that lack of awareness and poor saving culture, weak institutional capacity, policy and regulatory environment, weak governance, low capital base, and inappropriate loan security requirements are among the challenges affecting the outreach and sustainability of savings and credit cooperatives. Scarce financial resources particularly cash in most developing countries such as Zimbabwe and the non-availability of reserve funds for most of the rural cooperatives is also one of the challenges faced by cooperatives. The debates about sustainable livelihoods and poverty reduction emerged around the 1995 World Summit for Social Development (WSSD) in Copenhagen, and at this time, livelihoods strategies remained at the margins of the mainstream (Scoones, 2009). The socio-economic challenges faced by people in rural communities that stem as a result of lack of employment opportunities and food insecurity has enhanced the attention of the researchers to assess the role played by SACCOs as a sustainable livelihood strategy that aims at easing the socio-economic pressures on the rural populace. Cooperatives as business enterprises help their members to cooperate in the solving of socio-economic problems they all share which results in the improvement of their livelihoods and those of their families.

Since the cooperative operation is equal to other financial institutions, it is prone to challenges hence, the need to come together and find solutions to sustain the associations. Schwetmann (2004) says that cooperatives empower people to improve their lives through self-help projects. In the same vein, Barton (2000) states that the reason why cooperatives are formed is that they help in maintaining access to competitive markets capitalizing on new market opportunities. They easily obtain the products and

services on competitive basis improving income opportunities while on the other hand, managing risks of the members and the association at large.

3. Research Methodology

Research methodology is one of the most critical aspects of a scientific study and entails the collection of perspectives, approaches, methods, rules and principles by which a particular piece of study or research is undertaken (Somekh & Lewin, 2010).

3.1 Approach and Design

The study adopted a qualitative approach which the researchers found to be suitable for the research problem. Creswell (2014) points out that the qualitative enquiry entails obtaining details, perceptions and views of people. The descriptive research design, which is a method that involves observing and describing the behaviour of a subject or phenomenon without influencing it in any way (Burns & Grove, 2013), was preferred for the current study. Thus, this was a qualitative descriptive inquiry undertaken to assess the impact of SACCOs on rural sustainable livelihoods using the case of Nekatambe Ward 13 in Hwange district.

3.2 Population and Sample

According to the latest census statistics, the total population of Nekatambe Ward 13 in Hwange district is 290 male and 303 females; making a total of 593 people (ZIMSTAT, 2012). For the success of this study, the key target groups were local leaders, NGO officials and members of the existing SACCOS of the area under study. One chief (local leader), two NGO officials and fifty cooperative members being respondents were used as the sample for this study. This study adopted purposive and convenience sampling techniques. The researchers found these methods to be consistent with the study considering that they are non-probability sampling techniques, hence appropriate in selecting participants for a qualitative descriptive study such as this one where participants are largely sampled on the basis of their familiarity with the problem under investigation.

3.3 Research Instruments

Research instruments are the tools that the researchers designed and used to generate information in the study field which helped them to keep track of what they observed (Lofland, Snow, & Anderson, 2013). Questionnaires and interviews were used as the research instruments. Questionnaires were mostly preferred since data can be collected from a large group of people at the same time while interviews allowed for clarification of questions and probing of respondents (Cameron, 2013). In harmony with qualitative research, the researchers also took the task to operate as data generation media; hence, triangulation with regards research instrumentation was effected. This enhanced the trustworthiness and credibility of the research findings (Creswell & Maieta, 2013; Wegner, 2011).

3.4 Data Generation Methods and Analysis

A number of research authorities (e.g., Burns & Grove, 2013; Creswell, 2014; Crotty, 2018; Gribbs, 2012), concur that the generation and analysis of qualitative data is most appropriately done with the

guidance of research objectives, In the current study, data generation and analysis was therefore based on the five objectives of the study. Weiss (2019) notes that content analysis is the most common form of data analysis in qualitative research as it emphasises the analysis of social data that is important to the description of a phenomenon. This analytic method was therefore, appropriate in assessing the impact of SACCOs on sustainable rural livelihoods in the area under study.

4. Presentation & Analysis of Findings

The respondents, who were SACCOs members, were asked on what they understood by savings and credit cooperatives or societies. From the findings, 16 (32%) indicated that it was the ability by members to come together with the mission of achieving the desired goal. Others 14 (28%) pointed out that cooperatives were projects meant for them to be able to sustain their families. The majority, 20 (40%), indicated that cooperatives were the reason that they are able to provide food for their families and commit their children to schools. This premised that the response was dwelt on the importance of cooperatives in the society. These findings concur with Wanyama (2009) who asserts that savings and credit cooperatives are bodies formed by a group of people with a common interest to save members collectively, and then make loans available to the group members for the benefit of their families.

Respondents were required to respond on how savings and credit cooperatives assisted on sustaining their livelihoods and those of their families. The results showed that 17 (34%) paid school fees for their children and siblings, 6 (12%) paid hospital bills, 15 (30%) bought food and clothes for family, 4 (8%) purchased building materials and 8 (16%) got financial support. Although, not so many people were sustained through hospital bill payments, financial support and purchase of building materials, most people managed to pay fees and bought food and clothes for their families. It can therefore, be ascertained that the SACCOs are important in sustaining the rural population in the area under study. These results also demonstrate that, to some extent, savings and credit cooperatives are important for service provision and improving the reach and access of financial services to its members. Hence, there is need to create a conducive environment so that the rural populace can effectively implement SACCOs in order to be able to sustain themselves, their families and communities in different possible ways.

Respondents were also asked to comment on the factors affecting savings and credit cooperatives on sustaining livelihood in their rural community. SACCOs members were affected by failure to recover loans and these accounted for 21 (42%), leadership and institutional capacity 6 (12%), competition from other cooperatives 12 (24%), poor accounting and records system 8 (16%) and financial constraints 3 (6%). It is unfortunate to note that the SACCOs are mostly affected by failure to recover loans as indicated by 42%, followed by competition from other cooperatives which accounts for 24%. Thus, these findings show that SACCOs are affected by a constellation of factors some of which are beyond their control, hence, it is not easy to realise success and effectiveness in their implementation in rural communities.

Furthermore, the questionnaire also required the participants to indicate how their cooperatives impacted on their lives in relation to advancing the socio-economic goals of their community. The researcher established that 16 (32%) of the participants responded that cooperatives enabled them to have something to occupy their lives with, hence eliminating idleness which often brings stress. In addition, it was established that 19 (38%) benefitted from the business management skills attained through their training, which made them better persons capable of pursuing socio-economic success. In addition, 8 (16%) indicated that they were able to pay outstanding balances of their credits while 7(14%) managed to co-exist with others as they shared some products and ideas on how to expand their business. Thus, SACCOs have a positive effect on the lives of members in relation to propoting the socio-economic goals of their community in addition to enabling members to fend for themselves and their families, thereby enhancing livelihood sustainability.

The participants were also asked on how the Non-governmental organisations (NGOs) helped their cooperatives to sustain livelihoods. Half 25 (50%) of the participants indicated that the local NGOs intervened through technical assistance where they provided workshops and training to empower the local entrepreneurs. A total 16 (32%) responded that they were made to self-sustain themselves through training on how to manage their projects and how to evaluate progress and this was done fortnightly so as to have continuous assessment of the cooperative members' progress. The other 9 (18%) indicated that there were equipped with knowledge on financial and general project management. The results reveal that participants were not offered with any funding but provided with technical knowledge and skills. This way of intervention by NGQs is critical to reduce dependency syndrome amongst the rural people as they are trained to be self-sustaining.

NGO officials interviewed were also asked about the roles of savings and credit cooperatives in sustaining rural livelihoods. The NGOs officials responded that cooperatives have improved the lives of people in the rural communities to generate employment, boost food production, empower the marginalised, especially women and promote social cohesion and integration, thereby improving their livelihoods and reducing poverty. Also, the respondents said that the cooperatives facilitated access to credit as members are able to get loans and invest in different projects such as small agricultural activities or others of their desires, procurement and storage, distribution of input and marketing of products and so on. On challenges faced by SACCOs in sustaining livelihoods in rural communities, the NGO officials mentioned hyper-inflation that has seen the banks operating without cash. Also, it was found out that the inconsistent monetary policies in Zimbabwe caused detriment to the operation of the cooperatives as the owners cannot make financial projections of their future plans. The respondents added that the financial constraints have made the members to fail to borrow loans from the banks to boost their cooperatives so as to enhance their livelihoods.

Savings and credit cooperatives also encountered specific challenges in sustaining livelihoods in the rural area under study and this can be illustrated using the following table.

Table 1. Challenges Faced by Cooperatives in Sustaining Livelihoods in Rural Areas

Variables	Frequency	Percentage
Start-up capital	12	24
Managerial skills	13	26
Farming equipment	6	12
Monetary policies	14	28
Funding	5	10
Total	50	100

In the above table, SACCOs members involved in the study were asked on the challenges that they encountered in sustaining livelihoods in their rural community. The above table revealed that the local SACCOS were challenged by start-up capital as shown by 12 (24%), business management skills 13 (26%), farming equipment 6 (12%), monetary policy 14 (28%) and funding with 5 (10%). From the findings, it can be noted that the benefit through technical support from government and NGOs can promote a permanent solution to challenges such as these, particularly so through eliminating dependency syndrome. Challenges can disadvantage the cooperative societies in their endeavour to sustain rural livelihoods hence, the need to find radical and robust strategies to sustain the institutions and the rural societies.

Responses from the village head's interview also showed that SACCOs are of critical importance in their community. Basically, they highlighted that the establishment of the cooperatives helped in poverty reduction as most people were able to fend for themselves and their families as well as improve the village's economic situation to some extent. However, challenges such as movement of the productive age (youngsters) to the diaspora and the deteriorating economic situation in the country affected SACCOs' involvement in sustaining livelihoods in the rural community. It is sad to note that a number of young men and women from the village, just like most villages in Zimbabwe, have moved to nearby countries particularly South Africa, Botswana and Zambia to look for employment or any other form of survival activity; leaving the elderly to keep the projects operational. This has compromised the productivity of the village; which has negatively affected its economic status, hence, further justifying the need for SACCOs in the area under study. The other issue that was indicated by the village head was the challenge posed by drought that is commonly persistent within the area under study. These droughts are generally due to inconsistent rains received in the last few years; a trend that has also been witnessed in many parts of the country. Thus, such and other challenges have further necessitated the continual need for the existence of SACCOs as they have proved to be part of the panacea for the sustenance of livelihoods in rural communities.

5. Discussion of Findings

From the study findings, the researchers deduced that savings and credit cooperatives (SACCOs) play a significant role in sustaining livelihoods in rural communities. Most SACCOs members involved in the current study indicated that they were able to do quite a number of things because of being members of the cooperatives. These included paying school fees for their children and siblings, buying food and clothes for their families, paying hospital bills, buying building materials and so on. These findings are in harmony with Temeche's (2014) study which revealed that savings and credit cooperatives contribute to the promotion of total human development, develop people's minds by creating initiative and innovation, promoting self-development and self-reliance as well as providing technical and leadership skills. It can therefore be premised that SACCOs enhance the well-being and raise the living standards of rural people, making it possible for economic emancipation of members while sustaining their livelihoods and those of their families.

Outside the efforts of the SACCOs, non-governmental organisations (NGOs) helped cooperatives through capacitating members with knowledge and technical skills which enhanced their self-reliance and subsequently livelihood sustainability. SACCOs have had a notable impact in sustaining livelihoods among the residents of Nekatambe Ward 13 rural community in Hwange district of Zimbabwe. These included the fact that cooperatives enabled members to have something productive to occupy their lives with while they also benefitted from the technical and business management skills attained through trainings.

Quite a number of challenges are associated with SACCOs in sustaining livelihoods in the rural community under study. These include the failure to recover loans, competition from more established cooperatives, lack of start-up capital, financial and managerial skills and the general national economic meltdown.

6. Conclusion

From the study findings, the researchers concluded that, despite the challenges associated with SACCOs, their existence under members' resilience, has generally improved the lives of people in rural communities to generate employment, boost food production, send their children to school and empower the marginalized among other positive developments.

7. Recommendations

Based on the findings and conclusion of the study, the researchers recommend that:

- There is need to create a conducive environment for the SACCOs so that the rural populace can be able to sustain themselves, their families and communities as they thrive for service provision and improving the reach and access of financial services.

- Funding of SACCOs from either government or non-governmental organisations (NGOs) should mostly be for start-up capital, then later on technical skills support in order to reduce dependence syndrome amongst the people and promote self-sustenance.
- Since cooperatives are critical to the economic growth and development of the country, the ministry responsible for small and medium enterprises (SMEs) should step up its support for their growth so that they contribute more effectively to the national fiscus while at the same time boosting their ability to sustain rural livelihoods.
- The SACCOs need to conscientise their members for educational empowerment and technical skills upgrading so as to understand business management principles and other technical aspects in their endeavour to sustain livelihoods.
- The SACCOs should create partnership with institutions of higher education such as technical colleges and universities so as to benefit from the skilled labour and training resources through attachments.
- The SACCOs should diversify their operations and invest in fixed assets in order to curtail business challenges and make lucrative benefits that can expand the institutions and sustain rural communities and the nation at large.
- The government, NGOs, local leadership and other interested organs should support SACCOs through any other possible means so as to alleviate the possible challenges that cripple the cooperatives in their bid to promote rural livelihood sustainability.

References

- Assenga, E. A. (2008). *Saving and credit cooperative societies and poverty reduction among the women in Morogoro rural district, Tanzania* (Unpublished M.A Dissertation). Sokoine University of Agriculture, Tanzania.
- Barton, D. (2000). *What is a cooperative?* Kansas State University: Manhattan K.S.
- Burns, M., & Grove, S. K. (2013). *Understanding qualitative research*. Philadelphia: W.B. Saunders.
- Bwana, K. M., & Mwakujonga, J. (2013). Issues in SACCOS development in Kenya and Tanzania: The historical and development perspectives. *Developing Country Studies*, 3(5), 201-213.
- Cameron, R. (2013). *Mixed methods research*. Anzan: Australian and New Zealand Academy Management.
- Creswell, J. W. (2014). *Research design: Qualitative, quantitative, and mixed methods approaches*. Thousand Oaks, CA: Sage.
- Creswell, J. W., & Maietta, R. C. (2013). *Qualitative research*. Thousand Oaks, CA: Sage.
- Crotty, M. (2018). *The foundations of social research: Meaning and perspective in the research process*. Boston CA: Sage.
- Gribbs, G. (2012). *Qualitative data analysis: An introduction*. London: Open University Press.

- Lofland, J., Snow, D., & Anderson, L. (2013). *Analyzing social settings: A guide to qualitative observation and analysis*. Boston: Wadsworth.
- Maghimbi, S. (2010). *Cooperatives in Tanzania mainland: Revival and growth*. CoopAFRICA Working Paper No.14. Series on the status of cooperative development in Africa. International Labour Organization Office in Dar es Salaam, Tanzania.
- Mahoney, M. J. (2013). *Growth of social theoretical frameworks*. Bari-Italy: IEB publishers.
- Mhembwe, S., & Dube, E. (2017). *The role of cooperatives in sustaining the livelihoods of rural communities: The case of rural cooperatives in Shurugwi District, Zimbabwe*. <https://doi.org/10.4102/jamba.v9i1.341>
- MUCCOBS. (2005). *Professional financial cooperative management program, structure & organization of saving and credit Cooperative societies*. Tanzania, MUCCOBS.
- Mwelukilwa, J. S. (2001). *The role co-operatives play in poverty reduction in Tanzania*. Paper presented at the United Nations in observance of the International Day for the eradication of poverty. UN.
- Parrott, L. (2011). *Translating participatory theory into practice: Insights from Honduras on relationships between international aid organizations, communities and government within the setting of disaster related projects*. Lund University: International Development and Management.
- Schwettmann, J. (2004). *Cooperatives and employment in Africa*. Retrieved January 12, 2021, from <http://www.microfinancegateway.org/>
- Scoones, I. (2009). Livelihood perspectives and rural development. *Journal of Peasant Studies*, 36(17). <https://doi.org/10.1080/03066150902820503>
- Somekh, B., & Lewin, C. (2010). *Research methods in the social sciences*. London: Sage.
- Wanyama, F. O. (2009). *Surviving liberalization: The cooperative movement in Kenya*. COOPAFRICA Working Paper No. 10, International Labour Organization, Dar es Salaam.
- Wanyama, F. O., Develtere, P., & Pollet, I. (2008). *Encountering the evidence: Cooperatives and poverty reduction in Africa*. <https://doi.org/10.2139/ssrn.1330387>
- Wegner, T. (2011). *Research methods and applications*. Cape Town: Creda Press.
- Weiss, R. S. (2019). *The art and method of qualitative studies*. New York: N.Y. Free Press.
- World Bank. (2007). *Providing financial services in rural areas: A fresh look at financial co-operative REPORT Number 43-GLB 2007*. The International Bank for Reconstruction and Development. Washington DC, USA.
- Zimstat. (2012). *Census 2012 National Report*. Retrieved from <http://www.zimstat.co.zw/census/2021/PDL>
- Zimstat. (2021). *Poverty datum lines*. Retrieved from <https://www.zimstat.co.zw/wp-content/2021/PDL>