

The Contribution of the Village Saving and Loan Association to Women's Economic Empowerment in Kasulu District, Tanzania

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Abstract

The study assessed the contribution of the Village Saving and Loan Associations (VSLA) to women's economic empowerment in Kasulu District, Tanzania. Specifically, the study examined contributions of VSLA in enhancing productivity in food crop production. The study employed a cross-sectional design with mixed methods to obtain both quantitative and qualitative data from 102 women in Murufiti, Nyamidaho, and Kitagata who belonged to VSLA responding to structured questionnaires. Key informants, including community development officers and village leaders, were interviewed in-depth during the study. Quantitative data were analysed through descriptive statistical analysis with the aid of SPSS V26, while content analysis of qualitative data was conducted. Results demonstrate that women farmers who were part of VSLA witnessed major improvements in their agricultural production. The respondents who participated in VSLA showed improved maize cultivation results, as 74.5% generated between 500–1,000 kg yields before joining, but this changed to 61.8% after membership. After joining VSLA, the percentage of females who produced more than 1,000 kg of beans increased to 47.1%. The combination of financial assistance with training and improved farming resources aligned as the main elements leading to higher agricultural production. The study concludes that VSLA create heightened financial independence for women, alongside better household food security, along with various benefits for small-scale agriculture. More VSLA programs need expansion through governmental policies that integrate VSLA activities while offering additional technical and financial backing for optimal program success.

Keywords

village savings and loan association, women empowerment, agriculture

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Introduction

Numerous international organizations now prioritize women's economic empowerment as a key focus in advocating for financial systems that enable women to participate fully in economic activities. Sustainable economic growth depends on gender equality, according to the Sustainable Development Goals (SDGs) (UN Women, 2024; United Nations, 2019). Developed economies have improved female market participation rates with supportive frameworks as well as equal financial distributions and advanced lending programs (OECD, 2022). Wider progress in gender equality has not reached developing nations because women face social barriers, together with economic impediments to accessing financial services and productive resources (Were et al., 2021).

Globally, women face persistent economic exclusion, especially in rural settings, where their contributions to household income, agricultural labor, and informal enterprise often go unrecognized and unsupported. According to UN Women (2024), despite accounting for nearly half of the global agricultural workforce, women in rural areas are disproportionately affected by poverty, land insecurity, and lack of financial services. The World Bank's Global (2021) report states that 1.4 billion adults remain unbanked, with the majority being women residing in developing regions such as Sub-Saharan Africa (Demirgüç-Kunt et al., 2022). These figures underline a global concern that women, particularly in rural agricultural communities, continue to face systemic obstacles to achieving economic independence and empowerment.

In Sub-Saharan Africa, women in rural areas face exceptional financial exclusion. Women face restricted access to formal credit and productive opportunities because of social norms, as well as limited education levels and low asset ownership and bank requirements for collateral. The International Fund for Agricultural Development (IFAD, 2023) reveals that African rural women secure less than 10% of existing credit opportunities while retaining ownership of only 1% of agricultural land properties. The agricultural sector in Tanzania employs more than 65% of its population, despite supporting 80% of rural women, yet only a small percentage can access necessary financial services to advance beyond basic farming practices (FAO, 2022). The regulatory barriers prevent rural women from breaking free from poverty cycles, and limit their path to economic growth (CARE VSLA, 2023).

To bridge these gaps, various financial interventions have been introduced, with Village Savings and Loan Associations (VSLA) emerging as an inclusive grassroots financial model. VSLA are community-based, self-managed savings groups that allow members, predominantly women, to pool their savings and access small loans. VSLA stand as self-directed community financial groups that help their impoverished female rural members keep their savings while granting loans and social protection (Nahwera et al., 2022). VSLA came into existence through an initiative that allows members can contribute to a collective fund for providing interest-based

loans to members and managing emergencies. First introduced by CARE International in Niger in 1991, VSLA aim to promote financial literacy, foster social capital, and support micro-enterprise development. Today, over 30 African countries, including Kenya, Uganda, Rwanda, Ghana, and Tanzania, actively implement VSLA programs, reaching over 20 million participants globally (CARE, 2023; Gash & Odell, 2013). These associations have shown strong success in supporting rural women's entrepreneurial activities, access to credit, and increased household welfare.

VSLA maintain vital importance within Tanzanian society. VSLA exist in Tanzanian urban areas and rural communities while receiving support from organizations, including CARE and UNDP, in addition to the Tanzanian Ministry of Community Development. The VSLA implemented in Iringa Kilolo and Kasulu rural districts have brought about significant improvements in household savings and credit availability (UN Women, 2022). The VSLA program in Kilolo District enabled 3,000 women to earn higher incomes while also improving their food security (Nyamweya et al., 2020). That said, the savings transition to productive farming remains difficult for women because they lack agricultural training, face restricted market entry, and must continue depending on male decisions for essential farm inputs, which affects 76% of women (UNDP, 2019).

The implementation records of VSLA demonstrate encouraging results, yet their direct influence on agricultural practices receives scarce evaluation. Research data from Kasulu shows VSLA participation at 88% (UNDP, 2019), but insufficient evidence exists about how this financial access influences food crop farming production levels and agricultural household economic outcomes. The existing research base is insufficient for studying how VSLA increase women's purchasing power of farm inputs, including fertilizer, improved seeds, and small-scale machinery (Magali, 2021). Understanding the impact of financial inclusion on productivity, together with economic transformation within agrarian communities, represents a major knowledge deficit.

Therefore, the present study focused on the contribution of VSLA to women's economic empowerment in Kasulu District, Tanzania. The study investigated whether VSLA engagement improves food crop productivity and contributes to meaningful economic empowerment (Magali, 2021). By zeroing in on rural agricultural women, the research positions itself within the intersection of gender, finance, and agrarian development, a critical space for Tanzania's economic and social transformation. In line with this, the objective of the study is to examine how VSLA influence food crop productivity, access to farming inputs, and overall household income among participating women in Kasulu (Abdulai et al., 2022; Mtenga et al., 2024). This study is significant because it provides contextualized, data-driven insight for policymakers and NGOs seeking to optimize VSLA frameworks to directly support agriculture-led empowerment for women in Tanzania and other similar contexts.

Literature Review

This study employed the Empowerment Theory as the foundational framework for understanding the role of VSLA in promoting women's economic and social advancement. According to Perkins and Zimmerman (1995), empowerment is a process through which individuals gain control over resources and decision-making that influence their lives, operating both as an ongoing process and as an outcome. It emphasizes self-reliance, agency, and ownership—principles that closely align with the mechanisms through which VSLA function. These groups create enabling environments where women strengthen their financial capabilities, enhance their participation in household and community leadership, and expand their socio-economic opportunities. Within the context of Kasulu District, Empowerment Theory helps explain how VSLA participation facilitates women's access to financial resources, and strengthens their confidence and influence in both the private and public spheres.

Empirical research from various low- and middle-income countries reinforces the theoretical assumptions of Empowerment Theory by demonstrating the practical impacts of VSLA. Hatlebakk (2024) shows that community-based financial institutions such as VSLA, Self-Help Groups (SHG), and Rotating Savings and Credit Associations (ROSCA) effectively improve financial inclusion, savings behavior, and credit accessibility among underserved populations. While the broader economic impacts may be modest, the programs consistently enhance financial planning, responsibility, and women's agency—outcomes central to empowerment.

Technological advancements have further shaped VSLA effectiveness. Sinclair (2020) found that the use of mobile platforms in rural Colombia improved transparency and reduced fraud, though low digital literacy limited full adoption, highlighting the need for capacity-building interventions. Similarly, Kim and Lee (2021) observed that VSLA promoted financial inclusion and community cohesion among migrant groups in Canada, although structural and legal barriers constrained their scalability, suggesting the need for policy-level recognition.

African studies provide additional evidence of the empowerment potential of VSLA. In Uganda, Okello and Mwesigwa (2022) reported that VSLA significantly empowered marginalized women despite challenges related to loan size and record-keeping. In Rwanda, Mvunabo (2019) found strong positive correlations between VSLA membership and socioeconomic improvements such as housing quality and access to basic utilities, with over 77% of participants affirming benefits. Similarly, Hardi (2018) found that VSLA beneficiaries in Ghana gained increased access to small loans and greater involvement in household and community decision-making, emphasizing the need for improved financial management skills.

The specific empowerment of women through VSLA is well-documented. In South Sudan, Mark et al. (2019) reported increased business income, enhanced decision-making power, and greater asset ownership among women participants, although constraints such as

insufficient training, weak supervision, insecurity, and economic hardships limited full empowerment. Tanzanian findings reinforce these outcomes. Msangya (2023) confirmed that VSLA improve savings, income, and loan accessibility while recommending strategies to address dropout rates, loan defaults, and limited capacity through regulatory support and enhanced training.

Additional Tanzanian studies highlight community-wide and agricultural benefits. Kesanta and Andre (2015) found that women's participation in VSLA improved their well-being and contributed positively to family education, health, and livelihoods, although collective community project involvement remained minimal. Mtenga et al. (2024) and Rozalia et al. (2022) showed that VSLA enhance farm productivity and food security by enabling members to invest in agricultural tools, diversify income sources, and adopt resilient farming practices.

Therefore, the empirical findings cited above strongly reinforce Empowerment Theory. The demonstrated improvements in financial access, social capital, decision-making, and economic resilience show how VSLA function as empowerment platforms. They enhance agency, promote collective action, and support transformative gender relations, especially in the rural context. The variations in results across countries underscore the theory's emphasis on context-specific pathways to empowerment, highlighting the need for tailored VSLA interventions.

Methodology

Research Approach and Design

This study employed an exploratory sequential design within a cross-sectional framework to investigate the economic empowerment of women participating in VSLA in Kasulu District. In this design, quantitative data were collected and analyzed first, and the findings from this phase informed the qualitative phase that followed. The purpose was to generate an initial statistical understanding of empowerment indicators, and then explain those findings through participants' lived experiences.

Quantitative Component

The quantitative phase provided breadth and generalizability by enabling statistical measurement of key empowerment indicators such as income level, asset ownership, and loan size. Data were collected at a single point in time using a structured questionnaire administered to women participating in VSLA. The cross-sectional approach allowed efficient collection of data from a large sample, enabling analysis of associations among variables. Although this design does not establish causality, it provides a reliable snapshot of prevailing conditions in the study population.

Qualitative Component

A qualitative phase was conducted to provide depth and context. Semi-structured interviews and focus group discussions were used to explore participants' narratives, perceptions, and the mechanisms behind the quantitative patterns. This phase clarified unexpected statistical trends, and offered exact explanations of how VSLA contribute to women's economic empowerment.

Integration of the Two Strands

Integration of the quantitative and qualitative strands occurred during the interpretation stage. Quantitative results were compared with qualitative themes to identify convergence (agreement between findings), divergence (differences), and expansion (areas where qualitative results offered additional insights). This systematic integration enhance the validity and credibility of the study by ensuring that statistical patterns were grounded in real experiences, and that participants' narratives were supported by empirical evidence.

Study Area

This study was conducted in the Kasulu District Council, one of the six districts in the Kigoma Region of northwestern Tanzania. The district shares a territorial border with the Republic of Burundi, and the Waha ethnic group comprises the majority of its population. The local economy is predominantly driven by subsistence agriculture, supplemented by small to medium-scale enterprises concentrated in Kasulu Town.

Kasulu District was selected as the optimal site for this research due to its saturation of VSLA initiatives. According to the UNDP (2019), VSLA programs had reached 100% geographic coverage within the district, compared to 75-80% in neighboring districts. This near-universal implementation provides a robust environment to study the impacts of VSLA on women's economic empowerment, as it ensures a sufficient population of participants and minimizes selection bias. Administratively, the district is organized into two divisions. These are further subdivided into 15 urban wards and 108 sub-wards. The central business district is located within the Kumsenga and Murubona urban wards. The combination of a diverse economic landscape and comprehensive VSLA membership established a representative and valid context for this investigation.

Population and Sampling

The target population for this study comprised women from VSLA across three wards: Kitagata, Murufiti, and Nyamidaho, located within Kasulu District. Purposeful selection was employed because these areas contain numerous active VSLA, making them ideal for capturing

the experiences of women engaged in these initiatives. To gather a comprehensive understanding of VSLA operations and impacts, key informant interviews were conducted with Community Development Officers, Volunteer Community Workers, and Village Executive Officers. These individuals provided first-hand insights that enriched the research findings.

A preliminary sample size of 246 was calculated based on Kothari's (2004) large population calculation method, yet fieldwork limitations required reducing the sample to 102 participants (approximately 36%) per Bailey's (1998) specified threshold for social research validity. The observed reduction in sample size can be attributed to several factors, including non-response, whereby a portion of the selected participants were either unavailable or chose not to participate in the study, thereby adversely impacting the overall sample size.

There were a number of Ineligible Cases, where it was determined that several women did not meet the study's inclusion criteria, particularly those who had participated in VSLA for less than six months. In addition, there were Field Constraints, in which Logistical challenges impeded travel and imposed time limitations, significantly contributing to the diminution of the sample size.

Whilst the final sample of 102 participants is smaller than the initially intended sample, it remains adequate for the objectives of this study, particularly given the context of qualitative and quantitative data collection methods employed. The reduction in sample size moderately affects the statistical power of the analysis; however, the study still captures the experiences of the target demographic sufficiently. The sample was evenly distributed across the three wards, ensuring geographic diversity and demographic cohesion. This approach helps maintain the validity of the findings, providing a robust representation of the women involved in VSLA within the Kasulu District. Ultimately, while a larger sample would enhance statistical robustness, the study's design and focal points are still well-supported by the amended sample size.

The study included nine key informants to provide qualitative depth alongside the main survey data. The three wards provided 34 respondents who were equally distributed across both villages to achieve geographic diversity, demographic cohesion, and to gain real insight into the contribution of VSLA on women's empowerment in the study area. The sampling strategy involved a dual approach where simple random selection was employed to ensure equitable representation of VSLA participants, while purposive sampling targeted key informants who held pivotal roles or possessed in-depth knowledge relevant to the study.

Sample Size Calculation and Adjustments

An initial sample size of 246 was initially calculated using Kothari's (2004) which is used to calculate the sample size for an unknown population and a population with a large number. Kothari (2004) proposed a formula to calculate a sample size for an unknown population and a population with a large number, as shown below:

$$N = \frac{z^2 qp}{e^2}$$

where

N = the desired sample size

e = probability of error (i.e., the desired precision, e.g., 0.05 for 95% confidence level) z is the selected critical value of desired confidence level 1.96 p is the estimated proportion of an attribute that is present in the population, e.g., 0.8. To obtain the value of p , we took $q=1-p$

$$N = \frac{(1.96)^2(0.8)(0.2)}{(0.05)^2}$$

$$N = \frac{0.614656}{0.0025}$$

$$N = 246$$

In this study, the prescribed sample size of 246 was reduced to 36%, consistent with Bailey's (1998) suggestion that, regardless of the population size, the minimum sample or sample size of 30 cases is enough to be studied. Therefore, the sample was reduced to get an effective number of respondents.

$$N = 246 * (30/100)$$

$$N = 102$$

Data Collection Techniques

This research utilized multiple investigative methods to gather primary and secondary data. The research used structured questionnaires combined with in-depth interviews as a way to collect primary data. The researcher collected quantitative socio-demographic information together with qualitative individual perceptions through structured questionnaires that utilized open-ended and standardized questions with 102 VSLA members. Open-ended questions produced specific information about members' perceptions, which was combined with response from a standardized questionnaire to safeguard data analysis and member privacy. The researcher conducted semi-structured interviews with nine key informants to explore institutional perspectives on VSLA as a tool for business empowerment. Due to its assessed strengths, this approach uncovered information that no other method could adequately capture. The researcher consulted secondary data sources from official government reports, together with academic journal articles and VSLA-related studies, to supplement the analysis of primary

findings. The combination of multiple research methods created a complete examination of practical and theoretical research aspects.

Data Analysis

Data analysis employed a mixed-methods design, where quantitative and qualitative data were collected concurrently, analyzed separately, and then integrated to provide a comprehensive understanding of the research problem. Data from the closed-ended survey questions were coded, computerized, and analyzed using IBM SPSS Statistics (Version 26). Descriptive statistics (frequencies, percentages, means, and standard deviations) were generated to summarize the socio-demographic characteristics and economic profiles of the respondents.

Data from open-ended survey questions and key informant interviews were analyzed using thematic content analysis. This involved transcribing and translating the responses, repeatedly reading the transcripts to ensure familiarity, generating initial codes, categorizing them into broader themes, and identifying patterns and relationships. The integration of these two analytical streams allowed for the triangulation of results. For instance, quantitative data on increased income (the what) was explained and given context by the qualitative data on how women used loans and the challenges they faced (the why and how).

Ethical Considerations

The study applied ethical research methods to defend both participant safety and their rights. An agreement from relevant state entities enabled access to the research site through a university introduction letter. All participants provided informed consent after the researcher explained the complete research details. Participants received commitments that their answers would remain confidential while their personal information remained hidden throughout the whole research period. The study provided complete control to participants while allowing them to participate freely throughout the research project. The research instruments went through Kiswahili translation, which helped participants understand the study better and create a comfortable environment while preserving both ethical standards and data accuracy.

Results and Discussion

Demographic Characteristics of the Respondents

This study analyzed the demographic profiles of 102 women who are active members of VSLA in Kasulu District. This data is essential for understanding the specific experiences of the target population that VSLA aim to support, i.e., women who are economically active yet financially marginalized, often due to their participation in the informal economic sector and limited access to formal education.

Table 1. Socio-Demographic and Economic Profile of Respondents (N = 102)

	Characteristics	N=102	Percentage
Age group (years)	18-25	2	2.0
	26-35	21	20.6
	36-45	39	38.2
	46 or older	40	39.2
Education Level	No Formal Education	0	0
	Primary Education	68	66.7
	Secondary Education	19	18.6
	Post-Secondary	11	10.8
	University	4	3.9
Marital Status	Single	3	2.9
	Married	78	76.5
	Widowed	19	18.6
	Divorced/Separated	2	2.0
Primary Occupation	Small-Scale Farmer	63	61.8
	Small Business Owners/petty trader	39	38.2

Age of the Respondents

The study results (Table 1) showed that 2% of the respondents were under 20 years old, 21% were 20-35 years of age, 39% were 36-45 years, and 38% were age 46 years or older. This implies that the majority of respondents were actively involved in the VSLA. According to CARE (2011), this distribution shows that the project favors women who are adults. This is because adult women have many responsibilities, are energetic, and have the capacity to plan use of the loan and, thus, are able to use the funds profitably. The results justify the assumption that the women respondents involved in this study were in the active age group to provide reliable information.

Education Level of Respondents

The level of education is one factor that influences a respondent's level of thinking and judgment. Two out of three (66.6%) women in this study had completed primary education, 18.6% had secondary education, 10.9% had post-secondary education, and 3.9% had university-level education (Table 1). This indicates that the majority of respondents had formal education. However, it is often assumed that better-educated personnel and those more exposed to VSLA information are more likely to engage in VSLA. The education status of women appears to be a

significant predictor of VSLA business activity. It also indicates that VSLA is not only for the educated people in towns, but it includes the rural poor as well.

Marital Status of Respondents

Results in Table 1 show that three out of four respondents (76.5%) were married, 2.9% were not married (single), 18.6% were widowed, and 2.0% were separated. This finding is consistent with the fact that the majority of the sample were in the typical age group for having been married.

Distribution by Type of Occupation

The purpose of this section was to assess whether those who participated in the study had a good understanding of the topic and whether they had been affected in one way or another by the contributions made by VSLA to economic empowerment among women in the study area. The tables below present the results. In this sample, three out of five (61.8%) were small-scale farmers, while 38.2% engaged in small-scale business, e.g., petty trade. These occupations are appropriate for participation in the VSLA.

Roles of VSLA in enhancing cash crop production in Kasulu District Council

The study explored the type of crops grown by respondents, and their status before/after VSLA financial support. A key indicator is food crop production among women before/after VSLA intervention (Table 2). Before participation in the VSLA, three out of four (74.5%) respondents were able to produce 500 to 1,000 kg of maize, 13.7% respondents produced more than 1,000 kg of maize, and 11.8% produced less than 500 kg of maize (Table 2). By comparison, after participation in the VSLA, 61.8% of respondents produced more than 1,000 kg of maize, 36.3% produced between 200 to 1,000 kg, and 1.9% produced less than 500 kg. This result implies that there are dramatic changes in maize production among maize farmers after joining VSLA, and this improvement can be attributed to various factors as discussed below.

Likewise, results on production of beans among small-scale women farmers showed that, before involvement with the VSLA, the majority (58.8%) of respondents produced 500 to 1,000 kg of beans, 27.5% produced more than 1,000 kg of beans, and 13.7% produced less than 500 kg of beans per season. After joining the VSLA, 52.9% of respondents were able to produce 500 to 1,000 kg of beans, while 47.1% produced more than 1,000 kg. No respondents produced less than 500 kg of beans after joining the VSLA.

Cassava is another food and cash crop being produced by some small-scale farmers in the study area, but less than half (42%) farmed this product. Nearly the entire sample (90.7%) were producing less than an acre of cassava acre before joining VSLA, and the rest 9.3% farmed

greater than one acre of cassava. After joining VSLA, majority (72.1%) were able to produce one or more acre of cassava, while only 27.9% farmed cassava on a plot less than one acre.

Table 2. Crop production Before and After Joining a VSLA

Crop	Production	Before	Before	After	After	Average Earnings (TZS)	Loan Recovery Rate (%)
		Freq	Percent	Freq	Percent		
Maize	>1,000 kg	14	13.7	63	61.8		
	500-1,000 kg	76	74.5	37	36.3		
	<500 kg	12	11.8	2	1.9	318543.05	92.2
Beans	>1,000 kg	28	27.5	48	47.1		
	500-1,000 kg	60	58.8	54	52.9		
	<500 kg	14	13	0	0.0	577821.44	82.7
Cassava	≥ 1 acre	4	9.3	31	72.1		
	< 1 acre	39	90.7	13	27.9	479397.27	86.9

The findings indicate a substantial positive shift in production yields post-VSLA membership. For maize, the proportion of farmers harvesting over 1,000 kg surged from 13.7% to 61.8%. Conversely, the group producing less than 500 kg shrank dramatically from 11.8% to just 1.9%. A similar trend was observed in bean production, where the category of farmers producing less than 500 kg was eliminated (from 13.7% to 0%), indicating a significant rise in minimum yields. For cassava, cultivation shifted from predominantly small plots (<1 acre) to more than 72% of farmers cultivating one acre or more, suggesting a strategic move from subsistence to commercial production.

These productivity gains are directly linked to improved financial access. As one Community Development Officer noted:

“Many VSLA groups have helped women to increase yields in their farming projects. This is evident through the increase of women's income, reduction of dependency rate among women on their husbands, and increased food security in their households.”

This quantitative evidence is supported by respondents' perceptions of the value of credit. As shown in Table 3, an overwhelming majority (91.2%) reported that access to VSLA credit directly enhanced their food production capabilities.

VSLA's Contribution to Food Crop Production and Loan Access

Financial assistance programs provided by the VSLA enhance food crop production for farmers. A research analysis examined the agricultural effects of VSLA via its influence on loan accessibility alongside its contributions to food crop production. The research evaluated farmers' success at accessing farming credit alongside its effects on their present agricultural operations. Data are presented in Table 3.

Table 3. VSLA's Contribution to Food Crop Production and Loan Access

VSLA Contribution	Frequency (n=102)	Percentage
Input: Agriculture loans	73	71.6
Input: Loans for buying agricultural inputs	29	28.4
Result: Credit access enhanced food production	93	91.2
Result: Credit access did not enhance food production	9	8.8

The results suggest that participation in a VSLA improves food production by providing members with financial access to credit. Most respondents (71.6%) reported receiving loans for agricultural operations, yet 28.4% had loans dedicated to buying agricultural inputs (Table 3). Previous findings demonstrate that women accessing microfinance solutions gain economic independence, which lets them invest in their farms and generate additional household revenue.

Statistics show that VSLA credit access positively affected food production since 91.2% of respondents noted increased food production outcomes, while 8.8% reported no change (Table 3). VSLA credit services make a substantial contribution to both food security and agricultural productivity among female farmers who cultivate small landholdings. Community members who access credit can invest in better farming inputs, which enables them to expand their farms and improve yield, thus creating a foundation for economic self-reliance within the community.

Discussion

This research found that VSLA can be powerful tools that improve food crop production for rural women farmers operating in Kasulu District. Research showed that VSLA membership led to higher yields of maize, beans, and cassava among participating members. VSLA members experienced an increase in productivity because they gained better access to credit that allowed them to buy quality agricultural inputs, and adopt better farming methods. Studies emphasize financial services as essential tools for female farmers to break out of poverty while

demonstrating their ability to overcome capital limitations and lack of decision-making authority.

The transition toward commercial agriculture production demonstrated by cassava and maize farming reveals that VSLA participation leads to both productive increases and financial stability for farming communities. Participants reported that credit access enabled them to increase their food crop yields (91.2% of respondents made this connection). The essential support provided by VSLA to grassroots agricultural value chains culminates in this elevated response rate. The study confirms that financial inclusion drives both economic self-sufficiency and societal transformation in rural agricultural communities.

The research data provide full support for Empowerment Theory's fundamental concepts, which Rappaport (1981) and Perkins & Zimmerman (1995) first articulated. According to this theory, resource management and accessibility create both personal and collective empowerment opportunities. VSLA participation in Kasulu District enabled women to obtain microloan access that gave them control over agricultural choices, which signifies empowerment. Data shows that VSLA enable both the participatory processes (savings and group support and credit access), and measurable outcomes (improved food security and income growth, and increased production) of empowerment.

The increase of personal autonomy observed in VSLA participants aligns with Empowerment Theory by embracing its behavioral and interactional concepts. Women participated actively in financial planning activities and team investment strategies as well as entrepreneurial leadership decisions. These activities reflect the empowering processes – which Zimmerman (2000) proposed – by allowing people to obtain resource control alongside developing both essential skills and beneficial social networks for lasting development. Research applications of Empowerment Theory have the potential to expand into rural agricultural areas as the theory explains how financial community programs drive persistent social change among marginalized populations.

These research findings share similarities with results observed from related studies in Africa and worldwide. (Mtenga et al., 2024) Also observed was increased farm profitability among Tanzanian VSLA members due to enhanced input acquisition and reinvestment capacity. Rice farming families who obtained financing through VSLA were able to purchase upgraded agricultural tools, leading to superior crop production (Rozalia et al., 2022). Mkandawire (2021) found that implementations of VSLA programs in Malawi resulted in improved food security, together with broader livelihood diversity through increased agricultural investments.

This research validates findings previously established by Hardi (2018) in Ghana and Okello & Mwesigwa (2022) in Uganda concerning VSLA's positive impact on women's ability to make household decisions and engage economically. A primary literature survey focused on positive effects, yet this study brings distinct Kasulu field evidence that proves grassroots

financial inclusion drives better agricultural yield performance. The study offers specialized evidence regarding the direct impact of VSLA on agricultural production at the farm level while addressing a narrow collection of research targeting productivity measurements rather than livelihood or cash flow effects.

This research provides crucial recommendations to policymakers, together with development partners dedicated to rural finance and agriculture, and gender equality. The performance of VSLA participants in food crop yield gains demonstrates the necessity for governments and NGOs to increase their support of VSLA as fundamental agricultural development and female empowerment instruments. The full potential of results from this study can be reached by combining VSLA models with agricultural extension services alongside training programs and market access support.

Sinclair (2020) recommends integrating digital financial services to boost accessibility and transparency, yet this improvement requires sufficient training in digital literacy for participants. Regulatory authorities should enact a formal VSLA framework within their national microfinance policy guidelines, according to Kim and Lee (2021). The implementation of these measures will boost the ability of community-based financial systems to grow while strengthening their positive influence on rural women's development.

This research offers sound evidence supporting VSLA effectiveness, but researchers faced specific challenges. The research focused solely on three wards in Kasulu District, thus reducing the potential transferability of results to other rural communities in Tanzania or Sub-Saharan Africa. The research measured productivity improvements and improved access to credit, yet it failed to exhaustively examine potential long-term financial sustainability obstacles and repayment problems. Future academic studies need to evaluate the influence of organizational management systems coupled with loan default patterns and outside factors like climate disturbances on VSLA sustainability alongside member success metrics.

Long-term studies with sequential research designs should follow female members of VSLA to understand their sustained welfare progression alongside asset development and social empowerment across generations. Additional research should analyze the effects of VSLA participation on male household relationships to determine how empowerment promotes partnership decisions versus how it affects traditional gender hierarchies.

Conclusions

The research findings show that the VSLA effectively drive agricultural enhancement, together with financial strength growth for women participants across Kasulu District in Tanzania. Women farmers accessed microloans and agricultural inputs through collective savings to achieve major yield increases of maize, beans, and cassava. Membership in VSLA helps female farmers move from limited subsistence farming into productive agricultural operations that

serve market demands. The transformation establishes stronger household food security while building economic independence and resilience, which allows women to break away from male financial assistance and gain independent control of farm management.

Research outcomes validate the Empowerment Theory because financial decision-making authority enables women to seek greater autonomy in family life and community activities. Participation in VSLA allowed women to accumulate financial capital alongside social capital, which serves as an essential element for achieving sustainable agricultural development alongside inclusive economic growth. This research adds original empirical data by concentrating on productivity outcomes, which remain a neglected dimension in VSLA studies, particularly within Tanzania's rural agrarian areas.

While the study presents strong findings, its geographic boundaries, alongside its study population comprising Kasulu District small-scale female farmers, restrict its wider applicability. Additional research is essential to understand VSLA performance across multiple agrarian settings and cultural contexts, both in Tanzania and other countries. Reaping the enduring value of VSLA faces obstacles from farmers' restricted adoption of agricultural technology alongside unstable market conditions and financial risks during repayment. Research moving forward needs to use a multi-timeframe study design to verify the persistence of empowerment impacts while investigating how VSLA interact with digital resources and what policy interventions would optimize their effectiveness. This analysis demonstrates that local microfinance programs remain essential drivers for improving food security, together with gender-sensitive rural development.

Recommendations

The study recommends that policymakers and NGOs, and financial institutions upgrade and expand VSLA programs in rural territories to achieve their maximum impact on food crop output. The agricultural productivity and loan management capabilities of women farmers need additional financial backing and training programs to boost performance. The government should embed VSLA into national agricultural strategies to provide access for women farmers to better farming tools, together with irrigation services and reliable market venues. Future analysis needs to assess how VSLA affect women's economic empowerment during extended periods, and investigate methods to solve payment issues and market instability affecting VSLA. The research should engage with additional districts across different regions to assess the potential for VSLA to scale up sustainably in multiple agricultural environments.

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