



Clients' Perception of VICOBA Informal Social Security Roles: The Case of Nambis Division in Mbulu District, Tanzania

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Abstract: The study sought to establish clients' perception of Village Community Banks'(VICOBA) informal social security role in the Nambis division of the Mbulu District, Tanzania. The concurrent mixed-method designs were applied concomitantly with stratified and systematic sampling to select 124 clients for the study. The semi-structured questionnaires were used to collect data from 9 VICOBA groups located in 4 wards of the Nambis division. The quantitative data were analysed using the descriptive and Ordinary Least Square (OLS) regression analysis while the qualitative data was analysed using relational content analysis. The findings demonstrated that VICOBA played the informal social security role of prevention and protection, promotion of essential goods and services' accessibility and fostering of opportunities and potentials positively and significantly. The study recommends the government formulate a policy which recognizes VICOBA's informal social security functions. This will enable VICOBA to perform their informal social security roles effectively.

Keywords: VICOBA; clients; informal social security;-Tanzania

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Introduction

Social security embraces measures implemented to nurture clients' benefits in terms of cash or in-kind (ILO, 2011). Social security enhances the availability of assistance during insufficient employment, illness, disability, clients' injuries, family members' deaths and ageing. Estrada and Koutronas (2018) regarded social security as a vehicle for continued economic growth and development because it strengthens labor productivity, activates equal consumption and it catalyzes a stable investment and innovation environment. Social security defends the population from damage and peril and in this

case, it fosters the living standards of the recipients (ILO, 2021).

Informal and formal are major categories of social security systems. Awareness of using the informal social security system to attend to the unanticipated circumstances started long time ago when people started living together in communities. Formal social security arrangements, on the other hand, emerged in the 19th century (ILO, 2011). According to Solo (2021), contrary to the formal security system which is registered and regulated by the government, the informal social security system is not recognized officially. Informal social security operates on a

small scale and serves unemployed populations which earn a small income (European Union, 2017).

Töstensen (2004) declared that there are five types of formal social security systems which include: the pooling of risk using the contribution from members. This practice is also called the social insurance mechanism. The government's assistance to the vulnerable and poor people in society is the second type. The employers' contributions to their employees form the third type while obligatory private insurance contribution is the fourth type. Moreover, the employees' monthly contribution is the fifth type.

Browne (2015) categorized the formal social security system into cash transmission, pensions, non-cash transfers, school children feeding, public programmes, social related insurance and interventions in the labour market. A formal social security system emphasizes equal handling of members, clients' unity, all-inclusiveness, the responsibility of the state, openness and autonomous management (ILO, 2001).

In Tanzania, the dominant formal social security systems are community social insurance, social support, employers' contribution and mandatory saving (Mchomvu, Tungaraza & Maghimbi, 2002). Verpoorten and Verschraegen (2008) asserted that formal and informal social security serves those who are employed in the formal and informal sectors respectively. The authors further argue that home-based groups, kinship bodies, neighbourhoods and the local chief comprise traditional and informal social security arrangements in Tanzania. However, the current informal social security arrangement includes community schemes (savings and loans) and microinsurance (social funds) (European Union, 2017).

Mchomvu et al. (2002) and Verpoorten and Verschraegen (2008) argued that the old-style informal social security which operated in Tanzania up to the 1900s inadequately covered the population, treated members unequally and faced the challenge of insufficient resources. Moreover, the informal social security system was operated under the principles of unity and reciprocity (Kaseke, 2013). The principle implies that benefiting from informal social security depended on the client's contribution and activeness during the catastrophes (Cherry, 2020).

Decker and Olivier (2003) maintained that informal social security promotes the standard of living, the same as the formal social security system. It also helps to protect members against risks and unforeseen dangers such as illness, demises, floods, famines.

Devereux and Sabates-Wheeler (2004) asserted that the informal social security system plays the same functions as the formal social security such as protection, prevention, promotion and transformation. Kaseke (2003) and Kaseke and Olivier (2008) articulated that the main kinds of informal social security that prevailed in developing countries include family support arrangements and self-organized joint help arrangements. The joint arrangement type of informal social security operates using formed groups, associations or cooperative unions which organize revolving savings and credits systems to address unmet needs. Cooperatives empower their members to manage different risks such as diseases, demise and incapacity and hence perform preventive functions (Kaseke, 2013). Village Community Banks (VICOBA) is an informal social security operating under the cooperative or mutual aid arrangement.

According to Social and Economic Development Initiatives of Tanzania (SEDI, 2008), VICOBA are informal savings and credit schemes owned and operated by clients. VICOBA are known globally as village Savings and Loans Associations (VSLA) (Osei-Fosu, Dampah & Buabeng, 2019). In Africa, VSLA model was firstly introduced in Niger in 1991 by Care international and it was popularly known as Mata Masu Dubara (MMD), translated as "women in Move" since it targeted to improve the livelihood of women who were economically disadvantaged compared to men. International Non-Government organizations such as Plan International, Catholic Relief Services and Oxfam championed the establishment of VSLA in Asia (Hamadziripi, 2008). The model of VSLA in Asian countries is known as Grameen bank (Wang, Yan, Tan, Ye & Chen, 2022). This model was introduced in Bangladesh by Professor Mohamed Yunus in 1970s (Beyene, 2018). Under the Grameen Bank model, clients in a group of 5 to 30 people accumulate capital in the forms of shares and then the group issues microcredit and the social cohesion is used as collateral (Khandker, Khalily, Khan, 1994). Therefore, in this study, the

terms VICOBA, VSLA and Grameen bank have been used synonymously.

VICOBA as component of informal microfinance institutions offers services such as training, savings, fund transfer and insurance (Ole Kinisa, 2019). According to Kihongo (2005), in the 2000s VICOBA was firstly established in Zanzibar by the CARE International in Tanzania but later it was multiplied in rural and urban areas of Tanzania. VICOBA targeted to reduce poverty among clients who missed the formal financial services (Ministry of Finance- MOF, 2009).

Studies conducted in Tanzania such as Ole Kinisa (2019), Ollotu (2017) and Rutenge (2016) examined how the VICOBA improved the livelihood of the clients and the studies revealed that VICOBA played a significant role in improving the welfare of clients. The impacts of VICOBA/VSLA on livelihood improvement have been revealed by several authors who conducted their studies in Africa and Asia. For instance, in Ghana, VSLA promoted the client's living standard, self-esteem, business capital, family and social welfare (Osei-Fosu, et al., 2019). In Rwanda, they accelerated the increase of the clients' income and hence facilitated the payment of health and school fees bill for clients' children (Nsengimana, 2012). In Ethiopia, VSLA improved the family diet, health, education for children and decision making involvement for women (Beyene, 2018). Clients who participated in VSLA portrayed increased household consumption in Zambia (Mwansakilwa, Tembo, Zulu & Wamulume, 2017). However, there is a paucity of information on how VICOBA performed the informal social security functions.

Literature Review

This section prescribes the theoretical and empirical literature review guiding the study. The Sustainable Livelihood Approach (SLA) has been applied in the theoretical framework because the authors perceived that VICOBA promoted sustainable livelihood for its clients (Department For International Development-DFID, 2000). The systematic literature review, on the other hand, was applied in the empirical literature review.

The Sustainable Livelihood Approach

The Sustainable Livelihood Approach (SLA) rose in the United Kingdom as an approach to development in the 1990s (Morse, McNamara & Acholo, 2009). In 2002, the SLA concept was

adopted by the DFID to boost poor people to attain sustainable livelihood. DFID (2000) asserted that the SLA approach promotes human development and environmental conservation. According to Chambers and Conway (1992), livelihood is sustainable if it can be used now and be retained for future generations. Resources such as physical, materials, financial and human play a vital role in promoting sustainable livelihoods of a particular population (Petersen & Pedersen, 2010). VICOBA disburse microcredits, offers savings and promotes the availability of microinsurance services and hence participate actively in fostering sustainable livelihood (Ole Kinisa, 2019). Morse et al. (2009) argued that microcredit services may play a role to promote sustainable livelihood for its clients in Nigeria. Several studies linked sustainable livelihood with other variables. For instance, Eddins and Cottrell (2013) focused on local tourism resources. Moreover, Zhao, Fan, Liang and Zhang (2019) aligned SLA with disaster management and Clay (2017) with adaptive capacity to climate change. This study linked SLA with VICOBA's informal social security role.

Previous studies are silent on how VICOBA attended the informal social security roles. Integrating the functions of livelihood improvement and informal social security promotes the sustainability of VICOBA. Performing the two functions attracts potential clients to join VICOBA and this action fosters the sustainability of VICOBA.

Empirical Literature Review

Tandrayen-Ragoobur and Kasseeah (2018) reported that the formal social protection and security in Mauritania served the children, women, the aged and the disabled individuals by providing health insurance education, children and maternity reproductive health services, microfinance facilities, management of disaster risk, improvement of housing and generation of income. The logic behind this approach is that many individuals in poor countries cannot finance important risks related to joblessness, diseases and poverty of old age (The World Bank, 2017). For instance, Kaseke (2003) revealed that 74% of Zimbabwe citizens were not covered by formal social security. However, the study did not examine the role of VSLA in performing the informal social security role. People working in the informal economy including agriculture, e-

waste recycling, mining, the service sector and others in Tanzania and Senegal faced the challenge of inadequate universal health (Verbrugge, Ajuaye, Ongevalle, Van, 2018). Notwithstanding, the study did not assess how VSLA fulfilled the challenge. Lwanga-Ntale (2018) and ILO (2021) revealed the lack of social security services for the community that depended on forests and the poorest people in Tanzania and India respectively.

Mohamed (2011) exposed that political instability was the major challenge of the formal social security system in Sudan. Verbrugge, et al. (2018) found that community health insurance in Tanzania and Senegal faced challenges of inadequate collection of revenue due to insufficient staffing. Solo (2021) proclaimed that despite the informal social protection and security system dominated in Botswana, no official appreciation has been done. The European Union (2017) asserted that the weaknesses of informal social security for informal workers in developing countries are poor management, unreliable flow of income in savings and loan associations, tiny size, low sense of ownership, ignorance of the surrounding community and inadequate external support. However, the study did not analyze how the VSLA executed the informal social security roles.

Literature indicates that most of the studies such as Lwanga-Ntale, (2018), The World Bank (2017), ILO (2011) and Mansor, Nabilah, Salleh & Tan (2014) focused on the formal social security or health insurance system. The literature further shows that people who are in the informal sector face the challenge of not being covered by the formal social security and protection schemes. Mansor et al. (2014) further proclaimed that the social security system plays the role of social protection, enhances the availability of essential goods and services and promotes opportunities and potential.

Studies on the role of VICOBA on household livelihood improvement concentrated on diverse variables such as the increase of businesses capital (Kihongo, 2005). Other variables include improved housing, availability of food and meeting the needs of the household such as education and health expenditures (Brannen, 2010). VICOBA provides microloans with reasonable interests and offers the business

potential for clients. In this case, they provide capital for business and training opportunities. Sometimes VICOBA disburses loans for housing maintenance and they also play a vital role in building cohesion and clients' saving ethos. VICOBA facilitated the accumulation of assets in the Kishapu District, Tanzania (Rutenge, 2016). In the Dodoma Region, women saved their income, accessed credits and started their businesses after being empowered by VICOBA. In the same region, land ownership by women became possible through the empowerment of VICOBA (Ollotu, 2017).

The analysis of literature exposes that there are scanty studies on the functions of informal social security systems in Tanzania. Moreover, still, there are no studies that assessed the role of informal microfinance institutions such as VICOBA on informal social security. The review of the literature also indicates that VICOBA studies mainly focus on the improvement of the clients' livelihood, leaving their informal social security roles. Kaseke (2013), Kaseke and Olivier (2008) and UNICEF (2008) confirmed that rotation savings and credits such as VICOBA are informal social security organizations but no empirical assessment was done to substantiate how they achieve this function. Therefore, this study assessed the clients perceived role of VICOBA in protection, promotion availability of important goods and services and availability of clients' opportunities and potentials as articulated in Mansor et al. (2014).

Research Methodology

Philosophy and Design

The study applied the pragmatism philosophy which recognizes the integration of positivist and interpretivist views (Saunders, Lewis, & Thornhill, 2019). The study employed concurrent mixed methods designs to coalesce the findings from the qualitative and quantitative variables. The concurrent mixed-method designs were applied because the researchers intended to explain some of the quantitative variables. The researcher further applied the explanatory design to explain the relationship between the independent and the dependent variables (Dewasiri, Weerakoon & Azeez, 2018).

Population and Sampling

The study was conducted in Mbulu District of Manyara Region. The district had five divisions

namely Endagikot, Haydom, Daudi, Nambis and Dongobesh. Nambis, Daudi, and Dongobeshi divisions comprised the poorest population in the district (Mbulu District Council, 2021). The researchers randomly selected Nambis Division to represent the VICOBA clients in the three divisions because the VICOBA clients were homogenous. The study was conducted in the Muray Ward of the Namibs division which had 930 VICOBA clients. Through the stratified sampling, 630 VICOBA clients in the division were segregated into low and moderate-income clients. The low-income and moderate-income clients were those who deposited a maximum of two and more than two shares per week respectively. The study selected 124 respondents from 320 low-income clients using systematic sampling. The survey strategy was applied in data collection. Yamane's (1967) sampling formula was used to compute the sample size.

Data Collection and Analysis

Data was collected from January to April 2020. The semi-structured questionnaire which comprised both closed and open-ended questions was used in the data collection. The open-ended questions sought to provide clarifications on some items of the quantitative questions. The questionnaires were distributed to VICOBA clients through the Village Executive Officer. After the survey, the screening and coding of data were done. The authors disconfirmed the existence of outliers in the data and treated well the missing variables. Then, SPSS software version 20 was used for analysis. The quantitative data was analyzed by descriptive and multiple OLS regression analysis. The multiple OLS regression model was written as follows:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \alpha$$

Whereby:

Y is the role of VICOBA in informal social security protection

β_0 is Y-Intercept

X_1 , X_2 , and X_3 are independent variables i.e the roles of VICOBA in prevention and protection, enabling essential goods and service accessibility and promotion of opportunities and potentials

β_{1-3} are the coefficients of X_1 - X_3

α is an error term. The researchers tested the multiple regression model of heteroscedasticity, multicollinearity and autocorrelation.

The qualitative data was analyzed using relational content analysis. In the analysis, the information was categorized into themes. Then, the contents were coded on how they relate to the research questions which guided the study. The relational content analysis seeks to examine the relationship between the contents and the themes under exploration (Aacharya, 2022).

Ethical Considerations

The researchers explained to the respondents the purpose of the research and affirmed to them that data would be used for the study only. Likewise, they presented the clearance letter to the District, Division, Ward and Village authorities. The researchers further sought the consent of the participants before data collection, cited all references and avoided data fabrication and falsification.

Validity and Reliability

To enhance validity, the variables of the questionnaire were adopted from Mansor et al. (2014). The construction of the questionnaire considered face, construct and criterion validity. Moreover, the questionnaire was pretested to 20 VICOBA clients which were not respondents to prove its validity. To ensure the objectivity of the findings, respondents were free to respond to questions. The reliability test of the quantitative findings was done using Cronbach Alpha. The analysis indicated that the Cronbach Alpha value was 0.81, suggesting that the data were reliable.

Results and Discussion

Demographic information

Gender

Table 1 results indicate that female and male clients of VICOBA were 59.7% and 40.3% respectively. The results, therefore, show that majority of clients were females. The results imply that VICOBA have managed to provide financial services to the females who are regarded as disadvantaged and excluded from formal financial services provision (Dyanka, 2020). The majority (54.1%) of the VICOBA clients in Tanzania are females (Massawe, 2020).

Occupation

Results from Table 1 display that majority (91.9%) of the clients of VICOBA were peasants. Since most of the peasants were not subscribed to the formal social security scheme, they joined VICOBA to access the informal social security services.

However, the results show that VICOBA motivated individuals from other careers to join them. These were artisans, employed and businessmen practitioners. The results therefor signify that VICOBA served the diverse members of society.

Table 1: Demographic Information (N=124)

Gender	Frequency	Percent
Males	50	40.3
Females	74	59.7
The Occupation		
Farmers (peasants)clients	114	91.9
Employed clients	3	2.4
Business clients	3	2.4
Artisans clients	3	2.4
Both Farmer and business clients	1	0.8
Age Range (s)		
18-35	40	32.3
36-45	41	33.1
46-60	37	29.8
Above 60 years	6	4.8
Marital status		
Single clients	15	12.1
Married clients	101	81.5
Divorced/separated clients	1	0.8
Widow/widower clients	7	5.6
Education level		
Not having a formal education	7	5.6
Primary school leavers	102	82.3
Secondary school leavers	8	6.5
Certificate graduands	3	2.4
Diploma graduands	2	1.6
Degree	2	1.6

Age

Results from Table 1 indicate that the age of VICOBA ranged from 18 to 60 years. Results prove that the major customers of VICOBA were from the working-age group. According to UNCTAD (2021) people aged 15 to 64 years belong to this group.

Marital Status

The findings from Table 1 express that majority (81.5%) of the VICOBA clients were married. Married customers portray social security demand for family members who need social security and protection. Hence, the married VICOBA members covered their family members for unforeseen events. The divorced, single, separated or widow/widowed also joined VICOBA to cover their social-economic needs. Redson and Magali (2022) revealed that 90.7% of VICOBA clients in the Karagwe district were married.

Education Level

Most of the VICOBA clients in Tanzania possess primary education (Salum, 2017). Similarly, the information from Table 1 demonstrates that the majority (82.3%) of VICOBA members were having primary education and other clients did not possess formal education. The data show that few clients possessed secondary, certificates, diplomas and even degree education. Primary education was basic for VICOBA clients to be trained in various social-economic issues. However, education level did not restrain members to join VICOBA and be benefited from the informal social security.

Research Question 1: What is the level of Coverage of VICOBA clients by National Health Insurance?

Responding to this question, about registration by national health insurance, 46.8% of VICOBA members agreed that they were registered by the health insurance scheme. The results indicate that the percentage is small when you compare it with the benefits accrued from the national insurance scheme. Nevertheless, perhaps the presence of social security funds in VICOBA made clients not consider joining a health insurance scheme. Verbrugge, et al. (2018) emphasized the health services coverage for the informal sector participants who worked in e-waste recycling, mining, agriculture, services and other activities. VICOBA encouraged the accessibility of health services for females' clients in Moshi District in Tanzania (Kessy, Stray-Pedersen, Msuya, Mushi & Grete, 2016).

Research Question 2: How do VICOBA perform the informal social security role of prevention and protection?

The study assessed whether VICOBA played a role in prevention and protection. Findings from Table

Table 2: The Perceived role of VICOBA in Prevention and Protection (N=124)

Variable (s)	Frequency	Percentage
Through the contribution of social protection funds	113	91.1
By providing social assistance	120	96.7
By paying for school meals	118	95.1
By providing security for the aged	124	100
Protection through paying funeral contributions	124	100

The findings further indicate that VICOBA helped clients to contribute to meals in schools as witnessed by 95.1% of the respondents. Browne (2015) regarded the provision of school feeding for children as one of the ways of providing social assistance and is an important aspect of social security. Moreover, one respondent affirmed that "VICOBA help us to provide security for the aged people and to pay for funeral contributions." When asked why VICOBA assisted only the aged people, he responded that "the small financial capacity restrains us to cover all disadvantaged groups of the population such as people with disabilities and orphans". Therefore, the level of the social financial assistance provided to the disadvantaged groups depended on financial capability of a particular VICOBA.

The provision of social security support for people with old age motivated them to join VICOBA where they received different services such as joining the health insurance scheme and saving

2 demonstrate that 91.1% of the VICOBA clients commended the contribution of social funds in prevention and protection. It was mandatory for VICOBA clients to contribute social funds whenever they gathered together. The social contribution fund helped members in meeting their health expenditures and it was used as social insurance (Salum, 2017). Enhancing access to health services in the community is the major function of any social security scheme (ILO, 2010). VICOBA as an informal microfinance institution played this function. The findings further show that 96.7% of the clients perceived that VICOBA enabled them to provide social assistance role. One client responded that "VICOBA assisted people with old age, the sick and people with disabilities but not to a higher level because of inadequate funding." The disadvantaged and helpless families usually are excluded from the formal social security schemes and hence informal social security schemes performed this role (ILO, 2021).

money in the group's social funds. Through social funds, VICOBA contributed the funeral funds for deceased members' relatives. The traditional informal social security scheme is targeted to help people with old age (Mchomvu, et al., 2002). The traditional social security system also finances funeral activities as their main core functions in developing countries. This seemed the best way of distributing risks among the society in developing countries (Norton, Conway & Foster, 2001). Income earned from low interest loans enhanced the protection of VICOBA members in the Shinyanga region, Tanzania (Rutenge, 2016).

Research Question 3: How do VICOBA promote essential goods and services?

The study examined whether VICOBA promoted the availability of essential goods and services. The majority (98.4%) of members agreed that VICOBA members enhanced food availability. This was done by purchasing food or by providing the income which was used to produce food in their

fields. Social security and protection schemes therefore prevented the community from food shortage problems because VICOBA provided funds to buy food and hence promoted the availability of goods and services (Barrientos, 2004). The findings further indicate that VICOBA financed the education expenses as declared by 99.2% of the respondents.

The researchers asked respondents the average amount of money used to finance the school expenses. One client responded that “I used Tanzanian shillings (TZS) 10,000 to buy the schools’ stationery for my children.” A client from another group responded, “I paid TZS 600,000 as school expenses to purchase uniforms, paying the school fees and other contributions for my

children.” The amount of income used as school expenses for this case depended on the financial strength of VICOBA clients and the types of schools where the children of the clients studied. The children who studied in public schools paid small charges because the government incurred most of the charges. Nevertheless, the children of the clients who studied the private schools paid more expenses because the government did not subsidise the education charges. In Senegal, social protection and security promoted the increment in children’s enrolment (Verbrugge et al, 2018). Ole Kinisa (2019) and Ollotu (2017) reported that VICOBA empowered their clients to pay the children’s school fees in Manyara and Dodoma regions in Tanzania respectively.

Table 3: The Perceived role of VICOBA in promoting the availability of essential goods and services (N=124)

Variable (s)	Frequency	Percentage
Enhancing food availability	122	98.4
Financing education expenses	123	99.2
Enhancing payment for health services	123	99.2
Enabling client house repairs	119	95.9
Enabling buying of home utensils	123	99.2
Enabling clients to buy assets	122	98.4

The findings also recorded that the majority (99.2%) of clients confessed to using VICOBA funds to pay for health expenditures. VICOBA clients provided detailed information on the amount used to pay for health insurance and other related health expenditure. One of respondents said, “I paid the health insurance charges at the cost of TZS 30,000 for my six family members per annum.” “Also I incurred a maximum of TZS 300,000 to pay for health charges per annum”; another member proclaimed. The findings indicate the variation of health charges which reflects the diverse clients’ financial status. The findings are in harmony with Kessy et al. (2016) and Brannen (2010) that VICOBA assist clients to cover their health expenditures in Moshi District and Zanzibar Island. The findings further revealed that VICOBA helped clients to repair and maintain their houses as reported by 95.9% of the respondents.

Clients were asked to list down the amount of money used for house repair. One client asserted: “I have incurred TZS 220,000 to repair my house.” Another client asserted that “I have used only TZS 20,000 to repair my house.” The findings indicate the variation in the amount used for house repair. The charges for the clients’ house repair

depended on the status of the house and the financial capability of the client. Salum (2017) and Ollotu (2017) both revealed that VICOBA clients used funds from VICOBA to repair their houses in Rorya district and Dodoma Region in Tanzania.

The findings further designate that 99.2% of the VICOBA members used their money to buy home-used utensils which were vital for daily domestic use. VICOBA empowered their members to purchase regular home-used utensils due to members’ financial capability increase. Barrientos (2004) argued that assets purchase is interrelated with social protection since the clients may sell assets and earn money during financial difficulties. This study reveals that VICOBA assisted their members with buying assets such as sewing machines, livestock such as goats, pigs and plots as shown in Table 3.

Research Question 4: How do VICOBA foster opportunities and potentials?

The study also assessed the perceived role of VICOBA in promoting opportunities. Being a client increases the likelihood of being benefited from VICOBA. Mansor et al. (2014) asserted that the members of social security schemes are likely to benefit from various services and termed this as

social security potential. The findings from Table 4 show that 98.4% of the clients asserted that VICOBA helped them to get business-related opportunities. VICOBA promoted access to business opportunities for clients in Dar es salaam region (Kihongo, 2005). Also, VICOBA increased business value in Shinyanga Region (Rutenge, 2016). Moreover, the majority (98.4%) of respondents in the study confirmed that they had been trained in the management of businesses, savings, benefits accrued for joining health

insurance and group dynamics. The role of VICOBA in facilitating training has been also confirmed by Magali (2018) and Bakari et al. (2014). Furthermore, 96.8% and 98.4 % asserted that VICOBA helped them to establish the networks, access business opportunities and know clients' rights in the community respectively. The findings from Table 4 signify that VICOBA largely promoted the opportunities and potentials for their clients.

Table 4: The Perceived role of VICOBA in encouraging opportunities and potentials (N=124)

Variable (s)	Frequency	Percentage
Accessing business opportunities	122	98.4
Training in various skills	122	98.4
Establishing networks and accessing business opportunities	120	96.8
Knowing clients' rights in the community	122	98.4

Table 5: Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.877 ^a	.764	.721	.124	1.774

a. Predictors: (Constant), TTPROPO, Total prevention and protection, TTEAEGS

b. Dependent Variable: VICOBA generally promotes social securities for its members

Furthermore, VICOBA clients asserted that they established the networks and accessed the business opportunities (Mansor et al., 2014) proclaimed that a decent social security system promotes opportunities and potential for members and this encourages the members to participate vigorously in income-generating activities in the society. The findings also demonstrate that VICOBA assisted clients to know their community rights and this was witnessed by 98.4% of the clients who participated in the survey. The rights include rights of women, voting and other social-economic rights. Malhotra, Schuler, and Boender (2002) classified empowerment variables into socio-economic, socio-cultural, familial/interpersonal, legal and psychological. The empowerment also may be evaluated at a broader, community and individual level. However, this study concentrated only on the clients' perceived role of VICOBA in informal social security and not empowerment.

Research Question 5: What is the relationship between the individual role of prevention and protection, promotion of essential goods and services, promotion of opportunities and potentials and VICOBA's informal social security role?

The regression analysis from Ordinary Least Square (Table 5, 6 and 7) indicates that the model is well specified. The adjusted R-Square is 0.721, F-value is 16.637 (greater than 2.5) and the standard error is favourable. The coefficients from the model show that all of the three variables; prevention and protection, essential goods and services' accessibility and promotion of opportunities and potential positively and significantly influence the informal social security role (Gujarat, 2004; Kissell & Poserina, 2017). The testing of the multiple regression results portrayed that the model did not exhibit heteroscedasticity since the calculated Chi-square (sample size x adjusted R-square = 124x0.721=89.404) is less than the tabulated chi-square (150.989) (Sani, Midi & Babura, 2019). For multicollinearity, VIF values for the three variables were less than 5 and tolerance level was greater than 0.2. Therefore, the existence of multicollinearity could not be confirmed (Marcoulides & Raykov, 2018). The value of Durbin Watson for the autocorrelation test was within the acceptable ranges (1.5-2.5) proving that the independent variables of the multiple regression model were not correlated (Azami, Sharifi & Alvandpur, 2020).

Table 6: ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	3.584	3	1.195	16.637	.000 ^b
Residual	21.601	120	.180		
Total	25.185	123			

a. Dependent Variable: VICOBA generally promotes social securities for its members

b. Predictors: (Constant), TTPROPO, Total prevention and protection, TTEAEGS

Table 7: Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
(Constant)	2.483	.551		4.504	.000		
P prevention and protection	.276	.136	.224	2.036	.044	.588	1.700
Availability of goods & sv	.160	.170	.130	.943	.047	.378	2.646
Promtion of Opp& Potenti	.067	.107	.077	.629	.031	.475	2.107

a. Dependent Variable: VICOBA generally promotes social securities for its members

Conclusions and Recommendations

Conclusions

Most of the VICOBA clients were not covered by health insurance and possibly this threatened their health in the case they faced medical complications that required health insurance services. However, the social contribution funds helped members in meeting their health expenditures and it was used as social insurance. VICOBA assisted little people with old age, the sick and people with disabilities due to inadequate funding. VICOBA further enhanced food availability. Clients used money from VICOBA to repair and maintain their houses and clients accessed training opportunities through VICOBA. VICOBA positively and significantly influenced the informal social role of prevention and protection, promotion of essential goods and services availability and promotion of opportunities and potentials.

Recommendations

The study recommends that the Government should formulate a policy which recognizes VICOBA as an informal social security scheme and should allocate funds to elevate the informal social security capabilities. This will strengthen the

capacity of VICOBA to serve the majority of Tanzanians living in rural and urban areas. The study further suggests that policymakers should design strategies that will integrate microfinance institutions into the social security system. For instance, it may establish a policy that will force the VICOBA clients to join the health insurance schemes.

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