

# Enhancing Savings and Credit Products for Financial Welfare of Kenya Defence Forces Personnel: Opportunities and Prospects

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## ABSTRACT

This study delves into a critical issue concerning the efficacy of defence savings and credit programs in bolstering the welfare of Kenya Defence Forces (KDF) personnel. In a landscape where financial security plays a pivotal role in the overall well-being of military members, understanding the nuances of these programs becomes imperative. With this backdrop, the research objectives were crafted to not only gauge personnel attitudes and opinions regarding existing financial programs but also to pinpoint areas for enhancement and provide actionable recommendations for their improvement. To systematically address these objectives, a descriptive survey research design was adopted. This design is valuable for understanding the current state or prevalence of certain variables within a population. This approach, therefore, was chosen for its aptitude in capturing insights into personnel perceptions and experiences. By leveraging structured questionnaires as the primary data collection tool, the study aimed to elicit comprehensive feedback from Sacco members serving in the KDF. These questionnaires were designed to probe into key aspects of defence savings and credit programs, including institutional set up, core challenges, and overall proposals to improve effectiveness. Determining the sample size is a crucial step in ensuring the study's validity and reliability. In this case, simple random sampling was employed, with 110 members selected from Sacco members in Nairobi. This methodological choice, guided by Mugenda and Mugenda's (2012) under the probability sampling designs, aimed to provide each member an equal chance of participation, thus enhancing the representativeness of the sample. Additionally, the use of structured questionnaires facilitated the collection of standardized data, minimizing bias and ensuring consistency across respondents. Utilizing computer software such as SPSS, the study scrutinized the respondents to extract meaningful insights. The study reveals several key findings regarding the Defence savings and credit programs. Inadequate financial literacy emerged as the most significant challenge, affecting 43.2% of participants, highlighting the urgent need for enhanced financial education. Deployment and accessibility issues, credit risk, and the high transition rate of members also emerged as notable challenges. These factors contribute to decreased job satisfaction (42.1%), lowered morale (36.8%), and a negative impact on welfare (31.6%). To address these issues, there is strong support for improving financial literacy programs (68.4%), diversifying savings and credit products (60.0%), and increasing collaboration with external institutions (55.8%) and personalized financial counseling (57.9%). Despite the generally affordable and competitive financial products available (86.3%), there are areas for improvement in communication (72.6%) and ensuring fair returns on investments, which could enhance overall personnel satisfaction and financial stability. To improve the effectiveness of defense savings and credit programs, the following recommendations are made: enhance financial literacy through workshops and counseling, diversify savings and credit products to meet varied needs, collaborate with external financial institutions for additional resources, improve communication about available services, and ensure competitive returns on investments to boost personnel morale and satisfaction.

**Keywords:** Defence savings, credit programs, personnel welfare, Kenya Defence Forces, financial literacy, strategic partnerships, personalized financial counseling, co-creation, financial inclusion

## INTRODUCTION

The financial welfare of military organizations around the world is of great concern, and countries have often tried to find the best approaches to guarantee their military forces' financial safety and soundness. In this evolving context, financial problems experienced by military personnel have earned growing popularity, which in turn have forced governments and military institutions to go beyond normal banking services and introduce alternative products for credit and savings, adapted to the needs of military personnel. The present paper is aimed at evaluating the Kenya Defence Forces (KDF) in order to determine the opportunities and prospects of the force for enhancements.

Economic sustainability of military members has become an issue of global significance as military departments in different countries are faced with similar problems. Among the states that possess various policies for meeting the financial needs of their armed forces, we find the United States, the United Kingdom, China, and Australia among others. The highlighted initiatives emphasize that the financial stress can seriously affect the combat readiness and ability of militaries, and so, taking care of the financial welfare of the service members is vitally important for national security (Atieno, 2014). In the last few years there has been a prevailing motivation behind the need to have integrated welfare systems for military personnel that should include mental and physical health as well as financial stability, especially considering (Banzon & Flor, 2017). Consequently, governments and military institutions have shifted to developing methods and systems aimed at lifting the burden of taxes and enhancing the economic wellbeing of the soldiers they serve.

In the United States, for instance, the Department of Defense (DoD) has established programs such as the Thrift Savings Plan (TSP) to facilitate retirement savings for service members (Defense Finance and Accounting Service, n.d.). The TSP operates in a manner that is analogous to that of a 401(k) retirement savings plan, which is a type of retirement savings plan that is typically found in the civilian sector. It enables members of the armed forces to deposit a percentage of their salaries into a variety of investment funds, so preparing for their financial future once they have completed their duty (Beck et al. 2018). In addition, educational programmes and counselling services for financial matters are made available to military personnel in order to assist them in efficiently managing their financial situations (Beck et al., 2018). According to Catalini and Gans (2016), these materials provide individualised help on topics such as budgeting, debt management, savings methods, and investment planning. This guidance is targeted to the specific circumstances and issues that service members experience. In order to empower military members with the information and tools essential to attain financial stability and security both during and after their military careers, the Department of Defence (DoD) provides these services. This acknowledges the different financial demands of military personnel and tries to assist them in achieving these goals.

The significance of providing service members with the resources they need to effectively navigate their financial futures is shown by these efforts, which highlight the acknowledgment of the specific financial issues that service members face. A similar approach has been taken by the United Kingdom, which has established a number of programmes to ensure the financial well-being of its military services. According to Catalini and Gans (2016), the Armed Forces Covenant is an example of a document that clearly expresses the nation's commitment to ensuring that military people are not at a disadvantage when it comes to obtaining financial services and products. According to the Armed Forces Covenant (n.d.), this covenant acts as a pledge from the government, corporations, and society as a whole to preserve the notion that those who serve or have served in the armed forces, as well as their families, should be treated fairly and should not experience disadvantages as a result of their service.

Furthermore, the Ministry of Defence (MOD) provides individualised financial guidance and assistance programmes in order to provide support for service members and their families (Chen, 2019). Budgeting, debt management, savings, investments, and retirement planning are just a few of the topics that are covered by these programmes, which are offered by experienced financial counsellors who have expertise in military-specific financial concerns (Royal British Legion, 2020). These programmes cover a wide range of financial matters. By implementing these programmes, the government of the United Kingdom intends to reduce the

amount of financial strain experienced by members of the armed forces and their families, so improving their general well-being and readiness. The United Kingdom's goal is to cultivate a financially resilient armed forces community that is capable of meeting the demands of military duty while also thriving personally and economically. This will be accomplished by ensuring that service members have access to adequate financial support and guidance.

The People's Liberation Army (PLA) of China has made major efforts to improve the financial wellbeing of its members. These efforts have been performed in China. According to Christen et al. (2014), the People's Liberation Army (PLA) provides savings and credit programmes that are specifically designed to meet the requirements of military personnel. These programmes include accommodations such as home loans and subsidies for educational and medical expenses. In recognition of the particular difficulties that service personnel and their families encounter as a result of their military service, these programmes have the goal of reducing the financial pressures that they are under. According to Cooper and Schindler (2015), the People's Liberation Army (PLA) has conducted comprehensive financial education programmes with the goal of improving the financial literacy of its personnel. The purpose of these programmes is to equip service members with the knowledge and skills necessary to properly manage their debt, create a budget, save money, and invest it. This gives them the ability to make educated decisions regarding their finances and effectively plan for their future opportunities. By taking such measures, the Chinese government is demonstrating its dedication to ensuring the financial security and stability of its military people. This is in recognition of the significant role that these individuals play in protecting the nation's interests and preserving peace and stability.

A similar approach has been used by Australia, which has placed a significant focus on the importance of prioritising the financial well-being of its military members. The Australian Defence Force (ADF) offers a number of different support mechanisms, one of which is the Defence Home Ownership Assistance Scheme (DHOAS). This scheme is designed to assist service members in obtaining homeownership by offering financial subsidies (Department of Defence, n.d.). Furthermore, the Defence Bank, which was founded particularly for members of the armed forces, provides customers with specialised financial products and services that are designed to meet their specific requirements (Australian Defence Force, n.d.). In light of the difficulties that military members may encounter when entering the civilian financial market, these efforts have the objective of providing them with financial solutions that are both easily accessible and reasonably priced. In addition, the Armed Forces of the United States of America provides personnel with extensive financial counselling and education programmes in order to assist them in efficiently managing their finances (Cull et al. 2014). The purpose of these programmes is to provide service members with the knowledge and skills they need to successfully navigate financially challenging situations, make decisions based on accurate information, and attain financial security. By placing a high priority on the financial well-being of its military people, Australia demonstrates its dedication to providing support to its military personnel and ensuring that they are able to concentrate on their tasks without worrying about their financial situation, which ultimately contributes to the nation's efforts to achieve its defence and security goals.

In Africa, the financial well-being of military personnel is a significant concern, given the diverse economic landscapes and security challenges faced by the continent. According to Daley-Harris (2019), a number of African nations, such as Nigeria, South Africa, and Kenya, have substantial military forces, and their people are facing a variety of financial challenges. When it comes to the African setting, military personnel frequently face difficulties that are associated with low salaries, restricted access to financial services, and inadequate support systems for financial planning and management (Defence Bank, 2022). There has been a rising realisation among African governments and military organisations of the need of addressing the financial demands of their armed forces in order to maintain their overall well-being and effectiveness in carrying out their tasks. This is despite the fact that these difficulties have been present.

With regard to Kenya in particular, the Kenya Defence Forces (KDF) are an essential element of the security apparatus that the nation possesses. According to Kenya Defence Forces (n.d.), the Kenya Defence Forces (KDF) is comprised of the Army, Navy, and Air Force, and it fulfils a variety of responsibilities, including protecting the nation's sovereignty, providing assistance to civil authorities, and taking part in international

peacekeeping missions. The Kenya Defence Force (KDF) personnel, like their counterparts across Africa, face a variety of financial challenges. These challenges include inadequate remuneration, limited access to financial services in remote areas where military bases are located, and difficulties in managing finances due to the demands of military life (Demirguc-Kunt, 2018). Despite the efforts that the Kenyan government has made to solve these difficulties, there is still a need for individualised financial solutions that are in line with the particular requirements and conditions of the Kenya Defence Force people workforce. The purpose of this study is to investigate the possibilities and possibilities for improving savings and credit products within the KDF in order to better align them with the financial welfare needs of its personnel. This will contribute to the personnel's general well-being and their ability to effectively carry out their duties.

## **THEORETICAL FRAMEWORK**

**Social Capital Theory:** The social capital theory was initially presented by Pierre Bourdieu in the latter half of the 20th century as a component of his more comprehensive sociological theory. This theory proposes that social ties serve as valuable resources that contribute to the growth and accumulation of human capital. According to Bourdieu (1986), these social ties include a wide range of different manifestations of feelings of kindness, compassion, camaraderie, and social engagement among individuals who are members of a social unit. The idea proposes that social capital encourages the formation of links between persons who have a shared identity, as well as relationships with individuals from other socioeconomic classes, which ultimately leads to the promotion of cooperation and collaboration (Putnam, 2010).

On the other hand, critics like Fine (2001), Portes (1998), and Dolsak and Princen (2000) have voiced their concerns about the conceptualization and measurement of social capital. These critics have also brought attention to the difficulties that exist in the operationalization and empirical research, respectively. They contend that the theory may fail to take into account unfavourable characteristics such as discrimination, exclusion, and the possibility of a reinforcement of inequality. Furthermore, Karl (2013) criticises the theory's assumption of homogenous societies, highlighting the inherent divisions along political, class, and religious lines. He does this by pointing out different groups of people.

In spite of these criticisms, the social capital theory continues to be applicable to the study that is now being conducted on credit and savings programmes for service personnel members. The idea sheds light on the ways in which social networks and relationships have an impact on the financial behaviours and outcomes of participants. In the context of a SACCO, for instance, the existence of strong social ties and trust among members can help to cultivate a sense of collective responsibility and dedication to the financial well-being of the group. On the other hand, social networks that are fragmented can reduce the likelihood of cooperation and coordination, which can result in difficulties in terms of programme participation and efficacy.

Within the framework of the present investigation, the theory of social capital contributes to the explanation of the inherent difficulties that are encountered by savings and credit programmes, which eventually have an effect on the wellbeing of service members. The purpose of this study is to discover solutions for improving the efficiency of an existing programme and raising the well-being of service people. This will be accomplished by analysing the impact that social interactions and networks have in determining financial behaviours and outcomes. Interventions that aim to develop social links within programme communities, foster trust and reciprocity among participants, and promote inclusive decision-making processes are examples of what can fall under this category. As a result, social capital theory provides a useful framework for comprehending the social dynamics that are the basis of credit and savings programmes. This theory places an emphasis on the significance of social interactions in determining the behaviours and outcomes associated with financial matters. via the application of this theory to the investigation of the engagement of service personnel in savings and credit programmes, researchers are able to acquire insights into the mechanisms via which social capital influences the performance of programmes and discover chances for intervention and improvement.

## RESEARCH METHODOLOGY

The researcher delineates a meticulous methodology in this section to explore the effectiveness of defense savings and credit programs on personnel welfare within the Kenya Defence Forces (KDF). Grounded in Kothari's (2012) assertion that research methodology encompasses both methods and the underlying logic, this section begins by justifying the chosen research design—a quantitative descriptive survey approach—as ideal for capturing insights on attitudes and opinions regarding financial programs. De Vaus (2013) highlights the importance of a cohesive research design, underpinning the need for a systematic strategy to address the research problem effectively.

Furthermore, the researcher meticulously delineates the target population, sampling techniques, and sample size determination, showcasing the use of simple random sampling to ensure impartial selection. The study's target population comprises members of defense savings and credit programs based in Nairobi, with a sample size of 110 individuals drawn using the Yamane formula. Additionally, it elucidates the development and application of the structured questionnaire for primary data collection, emphasizing reliability and validity measures, including pre-testing and expert consultation. Ethical considerations, such as obtaining necessary permissions and ensuring voluntary participation and confidentiality, are also meticulously detailed, aligning with ethical guidelines outlined by Polit and Beck (2012). Transitioning to data processing and analysis, the researcher underscores the utilization of descriptive and inferential statistics through SPSS software, facilitating the interpretation of quantitative data. This comprehensive methodological framework, characterized by meticulous attention to detail and adherence to ethical standards, serves as a robust foundation for generating meaningful insights into the nexus between defense savings and credit programs and personnel welfare within the KDF.

## FINDINGS

### Opportunities and Prospects for Improving Savings and Credit Programs and Satisfaction and Morale

In this section, the researcher delved into the exploration of potential opportunities and prospects aimed at enhancing savings and credit products to better align with the financial welfare needs of personnel. This subsection seeks to assess the feasibility of various strategies and initiatives aimed at improving the efficacy and accessibility of savings and credit programs within the military context. By identifying and evaluating these opportunities, the study aims to provide valuable insights into avenues for enhancing financial well-being and resilience among military personnel.

**Table 1: Opportunities and Prospects to Improve Savings and Credit Products**

Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	SD
Personnel education and financial literacy programs should be integrated into the savings and credit offerings to empower personnel to make more informed financial decisions	7 (7.4%)	-	1 (1.1%)	22 (23.2%)	65 (68.4%)	3.60	.927
There is a need to diversify the range of savings and credit products available to	4 (4.2%)	-	3 (3.2%)	31 (32.6%)	57 (60.0%)	3.36	.988

better cater to the specific financial needs of personnel							
Collaboration with external financial institutions or organizations could provide additional financial products and services that align better with personnel financial welfare needs	5 (5.3%)	-	8 (8.4%)	29 (30.5%)	53 (55.8%)	3.36	.978
Offering personalized financial counseling services to personnel could significantly improve the alignment of savings and credit products with their financial welfare needs	5 (5.3%)	-	1 (1.1%)	34 (35.8%)	55 (57.9%)	3.33	1.026
Personnel should have the option to provide feedback and input into the development and enhancement of savings and credit products to ensure they better meet their financial welfare needs	2 (2.1%)	2 (2.1%)	2 (2.1%)	36 (37.9%)	55 (57.9%)	3.24	.997
Average						3.378	0.983

The findings illustrated in Table 1 shed light on promising opportunities to enhance savings and credit products specifically tailored for military personnel. Notably, the overwhelming support for integrating personnel education and financial literacy programs into savings and credit offerings reflects a collective recognition of the transformative potential of financial education. With 68.4% of respondents strongly agreeing and 23.2% agreeing, there is a resounding consensus on the pivotal role of financial literacy in empowering personnel to make informed financial decisions. This alignment with existing literature emphasizes the critical importance of equipping military members with the necessary knowledge and skills to navigate complex financial landscapes. Scholars like Beck (2020) and Benami & Carter (2021) have emphasized the positive impact of financial literacy programs on enhancing financial decision-making among military personnel. The findings underscore the urgent need for tailored interventions that address the diverse financial needs and challenges faced by military personnel. By integrating financial education, diversifying product offerings, fostering collaboration with external partners, providing personalized counselling services, and involving

personnel in product development, there are promising avenues to enhance savings and credit initiatives within military communities.

Moreover, the call to diversify the range of savings and credit products to better meet personnel's specific financial needs resonates strongly among respondents. With 60.0% strongly agreeing and 32.6% agreeing, there is a clear appetite for tailored financial solutions within the military community. This sentiment underscores the importance of flexibility and customization in financial offerings to address the diverse financial circumstances and preferences of military personnel. Scholars such as Mburu (2023) and Mwatondo & Wekesa (2020) have highlighted the importance of offering a diverse range of financial products to cater to the varied needs of military personnel. Their research aligns with the findings here, emphasizing the necessity of providing options that suit the unique financial situations of military members.

Additionally, the proposition of collaboration with external financial institutions or organizations garners significant support from respondents. With 55.8% strongly agreeing and 30.5% agreeing, there is acknowledgment of the potential to broaden the array of financial products and services available to military personnel through partnerships. This highlights the opportunity for leveraging external expertise and resources to enhance the accessibility and relevance of financial offerings for military members. Scholars like Murinde, Rizopoulos & Zachariadis (2022) have emphasized the benefits of collaboration with external partners in expanding the range of financial services available to military personnel. Their insights align with the findings presented here, emphasizing the importance of strategic partnerships in addressing the diverse financial needs of military personnel and improving their overall financial well-being.

The proposition of offering personalized financial counselling services receives substantial backing from respondents. With 57.9% strongly agreeing and 35.8% agreeing, there is recognition of the value of tailored guidance in aligning savings and credit products with individual financial welfare needs. This underscores the importance of holistic support mechanisms that go beyond traditional financial products, providing personalized guidance and assistance to military personnel. Scholars like Ugulumu (2020) have emphasized the importance of personalized financial counselling. However, other researchers such as Mburu (2023) have suggested that such services may need to be further tailored to address the unique challenges faced by military personnel. Despite this, the widespread support for personalized financial counselling underscores its potential to significantly improve the financial well-being of military personnel by addressing their specific needs and circumstances.

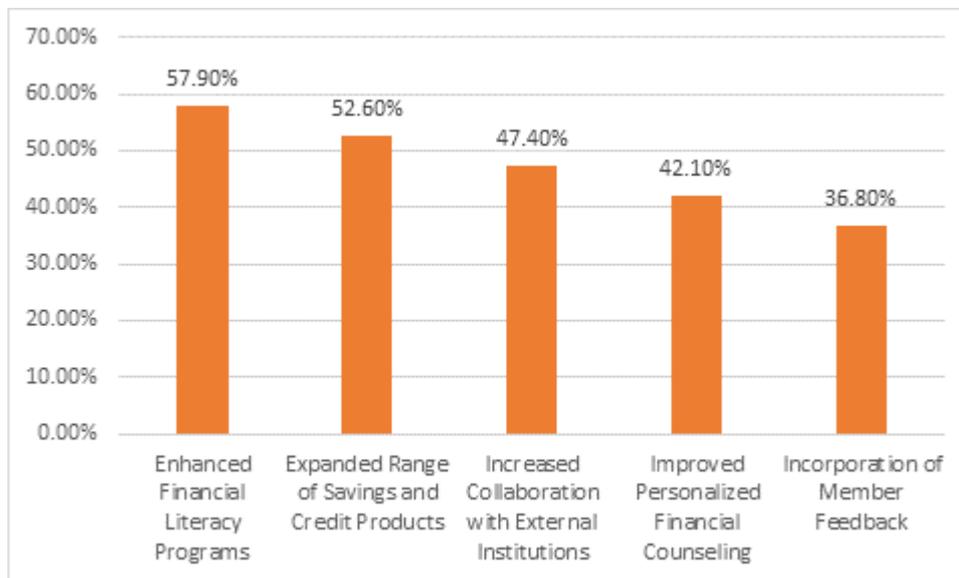
Lastly, the desire for personnel input in product development underscores a commitment to co-creation and ensuring solutions are finely tuned to meet the diverse needs of military members. With 57.9% strongly agreeing and 37.9% agreeing, there is a clear consensus on the importance of incorporating feedback from military personnel in the design and enhancement of savings and credit products. This participatory approach fosters a sense of ownership and accountability among military members, ultimately leading to solutions that better address their unique financial circumstances and preferences. Scholars like Mburu (2023) and Mwatondo & Wekesa (2020) have emphasized the importance of involving military personnel in decision-making processes related to financial products and services. Their perspectives align with the findings, highlighting the value of incorporating user feedback to ensure the relevance and effectiveness of savings and credit programs for military personnel.

Integrating Social Capital Theory into the analysis of promising opportunities to enhance savings and credit products tailored for military personnel enriches our understanding of the underlying dynamics shaping these initiatives. The overwhelming support for integrating personnel education and financial literacy programs reflects the recognition of the transformative potential of social connections and trust in facilitating financial empowerment. Scholars like Beck (2020) and Benami & Carter (2021) have emphasized the positive impact of social networks and collaborative efforts in enhancing financial decision-making among military personnel. Furthermore, the call to diversify financial products and foster collaboration with external partners resonates strongly with the principles of social capital, which emphasize the importance of leveraging diverse resources and networks to address complex challenges. By integrating financial education, diversifying product offerings, and involving personnel in product development, there are promising avenues to enhance savings

and credit initiatives within military communities, ultimately fostering greater financial well-being and resilience among military personnel.

### Impact of Opportunities and Prospects on Financial Welfare, Satisfaction, and Morale of Personnel

The Figure below illustrates the distribution of responses regarding the impact of various opportunities and prospects on aligning savings and credit programs with the financial welfare needs of personnel. It also highlights how these opportunities could enhance overall satisfaction and morale:



**Figure 1: Impact of Opportunities and Prospects on Financial Welfare, Satisfaction, and Morale of Personnel**

Figure 1 displays the responses on how various opportunities and prospects could impact the financial welfare, satisfaction, and morale of personnel. The highest percentage, 57.9%, of respondents identified enhanced financial literacy programs as the most impactful opportunity, suggesting that improving financial education significantly influences personnel's financial well-being and satisfaction. Following this, 52.6% of respondents saw expanding the range of savings and credit products as crucial for addressing diverse financial needs. Increased collaboration with external institutions was noted by 47.4% of respondents as beneficial, indicating that leveraging external expertise and resources can enhance financial support. Improved personalized financial counseling, cited by 42.1% of respondents, was also recognized as a key factor in providing tailored guidance and support. Finally, the incorporation of member feedback, highlighted by 36.8% of respondents, is seen as important for ensuring that financial programs align with personnel's needs. These insights underscore the need for targeted improvements in financial programs to better support personnel's financial welfare and enhance their overall satisfaction and morale.

## DISCUSSIONS

### Opportunities to Enhance Savings and Credit Products

The findings shed light on promising opportunities to enhance savings and credit products specifically tailored for military personnel. Notably, the overwhelming support for integrating personnel education and financial literacy programs into savings and credit offerings reflects a collective recognition of the transformative potential of financial education. With 68.4% of respondents strongly agreeing and 23.2% agreeing, there is a resounding consensus on the pivotal role of financial literacy in empowering personnel to make informed financial decisions. This alignment with existing literature emphasizes the critical importance of equipping

military members with the necessary knowledge and skills to navigate complex financial landscapes. Scholars like Beck et al. (2018) and Ahmad (2019) have emphasized the positive impact of financial literacy programs on enhancing financial decision-making among military personnel. The findings underscore the urgent need for tailored interventions that address the diverse financial needs and challenges faced by military personnel. By integrating financial education, diversifying product offerings, fostering collaboration with external partners, providing personalized counselling services, and involving personnel in product development, there are promising avenues to enhance savings and credit initiatives within military communities.

### **Diversify the Range of Savings and Credit Products**

Moreover, the call to diversify the range of savings and credit products to better meet personnel's specific financial needs resonates strongly among respondents. With 60.0% strongly agreeing and 32.6% agreeing, there is a clear appetite for tailored financial solutions within the military community. This sentiment underscores the importance of flexibility and customization in financial offerings to address the diverse financial circumstances and preferences of military personnel. Scholars such as Armendariz de Aghion & Morduch (2015) and Atieno (2014) have highlighted the importance of offering a diverse range of financial products to cater to the varied needs of military personnel. Their research aligns with the findings here, emphasizing the necessity of providing options that suit the unique financial situations of military members.

Additionally, the proposition of collaboration with external financial institutions or organizations garners significant support from respondents. With 55.8% strongly agreeing and 30.5% agreeing, there is acknowledgment of the potential to broaden the array of financial products and services available to military personnel through partnerships. This highlights the opportunity for leveraging external expertise and resources to enhance the accessibility and relevance of financial offerings for military members. Scholars like Cooper and Schindler (2015) and Chen (2019) have emphasized the benefits of collaboration with external partners in expanding the range of financial services available to military personnel. Their insights align with the findings presented here, emphasizing the importance of strategic partnerships in addressing the diverse financial needs of military personnel and improving their overall financial well-being.

### **Personalized Financial Counseling Services**

The proposition of offering personalized financial counseling services receives substantial backing from respondents. With 57.9% strongly agreeing and 35.8% agreeing, there is recognition of the value of tailored guidance in aligning savings and credit products with individual financial welfare needs. This underscores the importance of holistic support mechanisms that go beyond traditional financial products, providing personalized guidance and assistance to military personnel. Scholars like Christen et al. (2014) have emphasized the importance of personalized financial counseling. However, other researchers such as Banzon & Flor (2017) have suggested that such services may need to be further tailored to address the unique challenges faced by military personnel. Despite this, the widespread support for personalized financial counseling underscores its potential to significantly improve the financial well-being of military personnel by addressing their specific needs and circumstances.

### **Personnel Input in Product Development**

Lastly, the desire for personnel input in product development underscores a commitment to co-creation and ensuring solutions are finely tuned to meet the diverse needs of military members. With 57.9% strongly agreeing and 37.9% agreeing, there is a clear consensus on the importance of incorporating feedback from military personnel in the design and enhancement of savings and credit products. This participatory approach fosters a sense of ownership and accountability among military members, ultimately leading to solutions that better address their unique financial circumstances and preferences. Scholars like CGAP (2016) and African Union (2018) have emphasized the importance of involving military personnel in decision-making processes related to financial products and services. Their perspectives align with the findings, highlighting the value of incorporating user feedback to ensure the relevance and effectiveness of savings and credit programs for military personnel.

Integrating Social Capital Theory into the analysis of promising opportunities to enhance savings and credit products tailored for military personnel enriches our understanding of the underlying dynamics shaping these initiatives. The overwhelming support for integrating personnel education and financial literacy programs reflects the recognition of the transformative potential of social connections and trust in facilitating financial empowerment. Scholars like Beck et al. (2018) and Ahmad (2019) have emphasized the positive impact of social networks and collaborative efforts in enhancing financial decision-making among military personnel. Furthermore, the call to diversify financial products and foster collaboration with external partners resonates strongly with the principles of social capital, which emphasize the importance of leveraging diverse resources and networks to address complex challenges. By integrating financial education, diversifying product offerings, and involving personnel in product development, there are promising avenues to enhance savings and credit initiatives within military communities, ultimately fostering greater financial well-being and resilience among military personnel.

### **Impact of Opportunities and Prospects on Financial Welfare, Satisfaction, and Morale of Personnel**

The findings reveal significant insights into the impact of various opportunities and prospects on the financial welfare, satisfaction, and morale of personnel. Enhanced financial literacy programs were identified by 57.9% of respondents as the most impactful opportunity, aligning with Lusardi and Mitchell's (2014) research which shows that improving financial literacy can significantly boost financial well-being and satisfaction. This high percentage indicates a strong need for better financial education. Following this, 52.6% of respondents emphasized the importance of expanding the range of savings and credit products, which mirrors Goetzmann and Kumar's (2008) findings that diverse financial products are crucial for meeting varied financial needs. Increased collaboration with external institutions was noted by 47.4% of respondents as beneficial, supporting DeYoung and Roland's (2001) conclusion that such partnerships can enhance financial support through external expertise and resources.

Additionally, 42.1% of respondents highlighted the need for improved personalized financial counseling, consistent with Choi et al. (2011) who found that tailored advice enhances financial outcomes and satisfaction. Finally, 36.8% of respondents valued the incorporation of member feedback, aligning with Albdour and Altarawneh's (2014) findings that incorporating user feedback improves program effectiveness and satisfaction. These results underscore the necessity for targeted improvements in financial programs to enhance personnel's financial welfare, satisfaction, and morale, corroborating and expanding upon previous research findings.

### **CONCLUSION**

The research identifies several key opportunities to enhance savings and credit programs within military contexts, focusing on improving financial welfare, satisfaction, and morale among personnel. A significant finding is the strong endorsement for integrating financial literacy programs, highlighting the transformative role of education in empowering personnel to make informed financial decisions. This reflects the broad recognition of the critical importance of financial education in addressing the diverse financial challenges faced by military members.

Additionally, the study emphasizes the need for diversifying financial products to meet the varied financial needs of personnel, underscoring the importance of flexibility and customization in financial offerings. The potential benefits of collaborating with external institutions are also noted, suggesting that such partnerships could enhance the range and relevance of financial services available to military personnel. Personalized financial counseling services and incorporating personnel feedback into product development are highlighted as crucial factors in aligning financial programs with individual needs. Overall, these findings underscore the necessity for targeted improvements in financial programs to better support personnel's financial well-being and enhance their satisfaction and morale. Integrating these insights with theoretical frameworks enhances our understanding of how social connections and resources can be leveraged to improve financial outcomes and resilience among military personnel.

## RECOMMENDATIONS

Based on the findings of this study, several recommendations emerge to enhance savings and credit products for military personnel and Sacco members. Financial institutions should prioritize the integration of financial education and literacy programs into savings and credit offerings through partnerships with educational institutions, NGOs, and government agencies to develop comprehensive and accessible financial literacy initiatives tailored to the needs of military personnel and Sacco members. Additionally, fostering collaboration with external financial institutions, organizations, and community partners can provide additional financial products and services that align better with the financial welfare needs of military personnel and Sacco members. Establishing strategic partnerships can expand access to resources, expertise, and support networks, ultimately enhancing the effectiveness and relevance of financial offerings. Moreover, financial institutions should actively involve military personnel and Sacco members in the development and enhancement of savings and credit products through feedback mechanisms, focus groups, and advisory boards, ensuring that products are co-created and finely tuned to meet the diverse needs and preferences of these communities.

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