

# Village Banking as a Catalyst for Women's Economic Empowerment: A Sociological Analysis of Market Traders in Chirundu District, Zambia Journal: Feminist, Microfinance and Gender

Rhoidah Chifulo<sup>1\*</sup>, Wilson L. Phiri<sup>2</sup>

<sup>1</sup>Ministry of Local Government and Rural Development, Chirundu Town Council, Department of Planning, Chirundu District, Zambia

<sup>2</sup>Mulungushi University, School of Social Sciences, Department of Social Development Studies, Kabwe, Zambia

\*Corresponding Author

DOI: <https://doi.org/10.47772/IJRISS.2026.10100297>

Received: 20 January 2026; Accepted: 25 January 2026; Published: 04 February 2026

## ABSTRACT

**Background:** Access to inclusive and contextually responsive financial systems remains central to the economic empowerment of women operating within informal economies, particularly in sub-Saharan Africa. In Zambia, women market traders continue to face systemic exclusion from formal banking institutions due to limited collateral, irregular incomes, and gendered socio-economic constraints, despite their substantial contribution to household welfare and local economic development.

**Aim:** To examine the role of village banking as a grassroots financial mechanism and its role in advancing the economic and social empowerment of women market traders in Chirundu District, Zambia.

**Methods:** The study employed a qualitative research approach with hermeneutic phenomenological research design. Purposive non-random sampling method was used to recruit 15 participants who were active members of village banking groups. Semi-structured interviews were used to collect data and interviews were audio recorded. Qualitative data was analysed using thematic analysis.

**Findings:** The findings reveal that village banking provides critical services including savings opportunities, access to loans and credit facilities, interest-bearing savings schemes, and mentorship coupled with financial training. These services enabled women to mobilise capital for business expansion, enhance household livelihoods through improved nutrition, housing, and educational support for children, and reduce reliance on exploitative informal moneylenders. Beyond economic gains, participation in village banking strengthened women's financial discipline, decision-making autonomy, self-esteem, and social recognition, thereby contributing to broader processes of social empowerment and gender equality. However, the study also identified persistent challenges such as loan default, weak adherence to group rules, inadequate investment capital, leadership accountability gaps, and domestic tensions arising from shifting gender roles.

**Conclusion:** The study concludes that village banking constitutes a significant catalyst for women's economic and social empowerment within informal markets and represents a viable pathway toward advancing

Sustainable Development Goal 5 on gender equality, provided that governance, financial literacy, and institutional linkages are strengthened. The study recommends strengthening institutional support, accountability, financial literacy training, and linkage with formal financial institutions to improve outcomes.

**Keywords:** Village Banking, Women's Economic Empowerment, Financial Inclusion, Microfinance, and Market Traders

## BACKGROUND TO THE STUDY

Economic empowerment of women remains a cornerstone of sustainable development policy in low- and middle-income countries, particularly where informal economies predominate and formal labour markets absorb only a fraction of the workforce (World Bank, 2023). In Zambia, women constitute the majority of informal market traders, contributing substantially to local economies, yet they are systematically underserved by formal financial institutions (CSO, 2022; FSD Zambia, 2023). Persistent gaps in financial inclusion, rooted in structural, institutional, and socio-cultural inequalities, continue to limit women's capacity to invest in productive activities, manage risks, and make autonomous economic decisions (Demirgüç-Kunt et al., 2022; World Bank, 2023). Limited asset ownership, irregular income flows, stringent collateral requirements, and gendered norms around financial decision-making remain major constraints on women's economic agency (Demirgüç-Kunt et al., 2022; Mulenga & Muuka, 2024). These intersecting barriers underscore the need for financial mechanisms that extend beyond formal banking to support women's livelihoods more holistically.

Financial inclusion is widely recognised as a fundamental instrument for enhancing women's economic participation. However, growing scholarship highlights that access to finance alone does not guarantee empowerment unless it fosters agency, choice, and sustained engagement in socio-economic relations (Kabeer, 2023; Cornwall & Edwards, 2022). Empowerment is now broadly defined as a multidimensional process involving economic agency, decision-making autonomy, social recognition, and the ability to negotiate intrahousehold and community power structures (Kabeer, 2023). From this perspective, financial mechanisms that are socially embedded and collectively governed may offer greater potential for transforming women's economic and social standing, especially in informal market contexts.

Village banking has emerged as one such mechanism. Rooted in community-based savings and credit approaches, village banking operates through small groups that pool member savings, provide internal loans, and exercise mutual accountability rather than relying on formal collateral (Mulenga & Muuka, 2024). These groups often operate alongside or within broader informal financial systems, such as rotating savings and credit associations, and are characterised by strong social capital and peer governance (Brody et al., 2022; Gash and Odell, 2023). Empirical research across sub-Saharan Africa points to village banking's capacity to enhance women's savings behaviour, access to small loans, and resilience to economic shocks, particularly in contexts where formal banking is inaccessible or unaffordable (Munthali et al., 2022; Ksoll et al., 2023; Chijere & Mweso, 2024). In Malawi, for example, village banks have been shown to expand women's financial inclusion and offer a platform for exercising economic agency despite broader structural inequalities (Chijere & Mweso, 2024).

Sociological theory offers important insights into how village banking functions not only as a financial intermediary but as a social institution embedded within local norms, networks, and power relations. Social capital theory emphasises that trust, norms, and collective action within such groups reduce transaction costs and enable cooperation that extends beyond the immediate financial transaction, thereby enhancing both economic and social outcomes (Bourdieu, 1986; Putnam, 2000). In practice, this can facilitate women's collective learning, mutual support, and shared negotiation of economic risks (Mulenga & Muuka, 2024; Sikaluzwe Mushikiti, 2024). Feminist empowerment perspectives further suggest that control over financial resources can shift intra-household bargaining dynamics and expand women's voice in family and community decisions, though these shifts may encounter resistance in patriarchal settings (Mayoux, 2005; Kabeer, 2023).

Despite the theoretical promise of village banking, its impacts are neither uniform nor automatic. Although participation can lead to increased household income, business expansion, and improved welfare outcomes, operational challenges such as short repayment cycles, inadequate record-keeping, limited governance capacity, and weak regulatory support can undermine these benefits (Katowa et al., 2025; Sikaluzwe Mushikiti, 2024). Moreover, financial inclusion outcomes measured narrowly in terms of savings or credit access may obscure deeper questions about women's lived experiences of empowerment, identity, and negotiation of social roles.

In Zambia, the informal economy constitutes a significant share of employment (76%), with women dominating market trade and micro-enterprise sectors (CSO, 2022; FSD Zambia, 2023). Formal financial services remain largely inaccessible to these women due to high transaction costs, physical distance from banking infrastructure, lack of collateral, and socio-cultural biases within formal institutions (Lweendo, 2022; Katowa et al., 2025). Village banking, therefore, has become a vital adaptive strategy, enabling women to mobilise savings, access small loans, and manage economic risks in ways that align with their lived realities (Mulenga & Muuka, 2024).

Yet, despite the proliferation of community banking groups, there is a limited body of sociological research that critically examines how these institutions shape women's economic agency, social identity, and intra-household dynamics.

Chirundu District offers a particularly compelling context for such inquiry. Located on the border between Zambia and Zimbabwe, Chirundu is characterised by vibrant cross-border trade, high mobility, and economic volatility (Nalungwe, 2023). Women dominate informal trading in this setting but face acute exposure to price fluctuations, regulatory uncertainty, and capital constraints unique to border economies. Although village banking is utilised by many women in Chirundu, there remains a research gap in understanding how participation in such schemes interacts with women's everyday practices, economic strategies, and sociocultural positions.

Existing studies in Zambia have predominantly focused on quantitative indicators such as credit uptake, savings levels, and repayment performance (Mulenga & Muuka, 2024), with less attention to qualitative insights into how women experience empowerment and constraint within village banking groups. This creates a risk of oversimplifying empowerment as a function of financial metrics rather than a complex process of negotiation, identity formation, and relational change. Consequently, this study seeks to fill these gaps by presenting a qualitative, sociological analysis of village banking as experienced by women market traders in Chirundu District. By foregrounding women's narratives and everyday practices, the research aims to deepen understanding of how financial inclusion and empowerment are co-constructed within community-based financial institutions. In doing so, it contributes to broader debates on gender, informal economies, and inclusive finance policy in Zambia and comparable contexts.

## **MATERIALS AND METHODS**

### **Research design**

The study adopted a qualitative research approach grounded in hermeneutic phenomenology and informed by a feminist research paradigm. Hermeneutic phenomenology emphasises interpretation of lived experience, recognising that meaning is co-constructed through social interaction and contextual understanding rather than merely described (Addeo, 2013; Qazi and Rashidi, 2018b). This design was appropriate for exploring how women market traders interpret their participation in village banking and its implications for economic and social empowerment.

### **Study Site**

The research was conducted at Chirundu Main Market in Southern Province, Zambia. Chirundu is a peri-urban border district characterised by intensive informal trade and cross-border commerce. Women dominate trading activities, including food vending, agricultural produce sales, and small-scale retail, making the site particularly suitable for examining village banking within informal market contexts.

### **Target Population**

The study population comprised women market traders who were active members of village banking groups operating at Chirundu Main Market. These women rely heavily on informal microfinance for their daily businesses, family needs, and long-term goals. Creswell (2013:155) confirms this by stating that "It is essential that all participants have [similar lived] experience of the phenomenon being studied". Thus, qualitative research aims to allow participants with similar experience to begin a process of reflection and engagement with the meaning of their personal experience of having joined the village banking facility and the impact of the village banking experiences (Biggerstaff and Thompson, 2008).

### **Sampling Methods**

The goal of this study was not to recruit a representative sample, but rather to focus on participants who possessed similar characteristics that were relevant to the study (Creswell and Creswell, 2017). The researcher employed a purposive non-random sampling method in recruiting the participants for the study. These sampled participants have similar attributes, experiences and characteristics among others (Bryman, 2016). In this regard, purposive non random sampling was employed as a feature of qualitative research in order to enable the researcher to select knowledgeable participants.

## Sample size

In qualitative research, Smith and Osborn (2008) have advocated for a small sample size. This is because qualitative research is not aimed at making generalizations but having a holistic picture of the perspectives of people experiencing a similar phenomenon. Creswell and Poth (2017) have recommended a sample size of 5 to 25 participants who have similar experience with the phenomenon being studied in qualitative research. As such, the commonality of their experiences can be captured and interpreted. Thus in this study, the researchers did in-depth interviews with 15 participants as women market traders at Chirundu Main Market.

## Data Collection Methods

This research employed the semi-structured interviews to explore the role of village banking on economic empowerment of women market traders. Smith et al (2009) suggested that semi-structured interviews are well suited to the task of capturing people's lived experiences and through which a phenomenon could be interpreted in terms of the meanings interviewees bring to it. This type of interview was used to create a space in which the researcher and participants constructed the knowledge together (Birks and Mills, 2011). The interviews were conducted in participants' preferred languages (i.e., English, Nyanja, Tonga). Each in-depth interview participant was identified by pseudo names which were different from the actual names of the participants. The researchers preferred the semi-structured interview because it enabled them to have more clarifying, probing, and cross-checking questions, where the interviewers have the freedom to alter; rephrase and add questions according to the nature of the responses from interviewees (Best and Kahn, 2003). The semi-structured interviews also provided an opportunity for recording all the responses from participants.

## Data Analysis and interpretation

Data analysis was done using qualitative thematic analysis following Braun and Clarke's (2006) six-step model. Braun and Clarke recommended that qualitative research focuses on the following steps, namely: familiarization with the data, generating initial codes; searching for themes; reviewing themes; defining and naming themes, and producing the report. In phenomenological research, the analysis of data begins as soon as the first data are collected (Kings and Horrocks, 2010). In this study, interviews were recorded with the consent of the participants. The audios were then transcribed and uploaded into the qualitative research software called Nvivo version 12 pro to assist in organizing and coding data. Themes were interpreted using theoretical lenses, including Social Capital Theory and Feminist Empowerment Theory. The researchers read through the transcripts identifying open codes using the qualitative software Nvivo. Coding aided in identifying concepts, categories and sub-categories that were further broken down. Open coding involves reading the texts 'word-by-word', 'line-by-line', and repeatedly to identify phrases that interviewees were using to describe things and issues. The coded data was then categorised (grouped) according to different characteristics to better understand the data. The categories were then grouped to form sub-themes and then eventually, the sub-themes were grouped to come up with the main themes. This enabled the researcher to categorize items according to what description they offered (Bryman, 2012). This analysis method had its weakness as it was lengthy and time consuming.

## Reflexivity and Positionality

The principle of reflexivity means that the researcher should be conscious about his/her own position, values, biases and decision in constructing knowledge of the social world in the research process right from designing the tools, data collection and interpretation of the findings (Hesse-Biber and Johnson, 2015). Being qualitative research, the researchers were aware that their background, values, beliefs, and experiences could influence the research process (Floyd and Arthur, 2012). To overcome the problem of positionality, researchers applied Greenbanks (2003) recommendation that reflexivity requires explicit self-consciousness and self-assessment about the researchers' views and positions and how these might influence the design, execution, and interpretation of research findings. Thus, researchers had put aside any preconceived ideas or what they may have personally observed about the role of village banking on economic empowerment of women market traders in Chirundu District.

## Ethical Considerations

In any research conducted, ethical issues must be taken into consideration by the researcher (Bryman, 2016). The researcher ensured that ethics of social research were upheld. The main ethical issues addressed in the course

of the research were; approval, permission, access and acceptance, informed consent, confidentiality, right to privacy and anonymity, right to withdrawal, beneficence, justice and fairness. The ethical approval number for the study is HSSREC IRB: 00006464.

### Study Findings (Results)

This chapter presents and analytically interprets the findings of the study on the role of village banking in women's economic and social empowerment among market traders in Chirundu District, Zambia. The findings are presented thematically and reflect the context-specific experiences of women market traders Peri-urban Chirundu, rather than generalizable claims about all women market traders.

### Background Information of Participants

The demographic data of participants covers the following: age, level of education, and marital status. The primary participants were 15 women market traders who were members of the village banking group, of which two participants were below 30 years old; five participants were in the age range of 30-34, one participant was aged 35-39, four participants were aged 40-44 and three participants were aged 45-49. Although the sample shared similarities in location, all lived in Chirundu District, they reflected a difference in age, which ranged from 28 to 49 respectively. The self-reported highest levels of education were as follows: Tertiary level was three, Secondary level was six, and Primary level was also six. The results further showed that 13 participants were married, one of the participants was widowed, and another one participant was divorced as shown in table 1 below.

**Table 1: Demographic information of Participants**

Age	Frequency
Below 30	2
30-34	5
35-39	1
40-44	4
45-49	3
<b>Total Number</b>	<b>15</b>
<b>Level of Education</b>	
Primary level	6
Secondary level	6
Tertiary level	3
<b>Total Number</b>	<b>15</b>
<b>Level of Education</b>	
Primary level	6
Secondary level	6
Tertiary level	3
<b>Total Number</b>	<b>15</b>

**Specific codes and themes emerging from data**

In line with the hermeneutic phenomenological research design, the findings emphasized the importance of giving a voice to study participants who were women market traders from Chirundu District through their own accounts. This approach is in line with the epistemological methods of understanding the social worlds based on the lived experiences of research participants. Participants were asked to talk about their lived experiences with the services provided by Village Banking facility, the benefits of Village Bank membership to women market traders, and the challenges experienced by women market traders with village banking facility in Chirundu. Their accounts highlighted the complex realities of the services provided by Village Banking facility in Chirundu District.

**Table 2: Emerging themes and subthemes**

Themes	Sub-themes
Services provided by Village Banking facility to women market traders	Savings Opportunities
	Mentorship and Financial Training
	Loans and Credit Facilities
	Interest on Savings
Benefits of Village Bank Membership to Women Market Traders	Capital for Business Expansion
	Social Support Mechanisms
	Improved Household Livelihood <ul style="list-style-type: none"> <li>○ Educational Support for Children</li> <li>○ Improved Nutrition and Housing</li> <li>○ Asset Accumulation</li> <li>○ Reduced Dependence on Moneylenders</li> <li>○ Financial Discipline</li> </ul>
	Decision-Making Autonomy
	Financial Independence
Social Empowerment and Gender Equality	Social Recognition
	Social Support Networks
	Self-Esteem and Confidence
	Household Tensions
	Loan Default by Members
	Rule Violation
Challenges Experienced by Women Market Traders	Absenteeism and Poor Participation of members
	Business loss
	Inadequate Investment Capital
	Lack of Accountability from Leaders

**Services Provided by Village Banking Facilities to Women Market Traders**

The findings indicate that village banking facilities in Chirundu offer a range of interrelated financial and social services that collectively enhance women’s participation in informal financial systems. These services go beyond basic savings and credit provision to include mentorship, financial literacy, and profit-sharing mechanisms, which together constitute an alternative, community-embedded model of financial inclusion.

## Savings opportunities

Savings mobilisation emerged as a foundational service provided by village banking facilities, enabling women market traders to accumulate funds in a structured and collective manner. Participants consistently reported that saving through a group mechanism was more effective than individual saving methods such as keeping cash at home or using mobile money platforms, which were perceived as vulnerable to impulsive spending and competing household demands. The group-based savings model created external discipline, as regular contributions were expected and socially monitored, reinforcing consistent saving behaviour. Women saved for diverse purposes, including business capital, house construction, education expenses, healthcare needs, and emergency family obligations such as funerals. Importantly, the obligation to save within a collective setting reduced the likelihood of diversion of funds to immediate consumption, thereby promoting long-term financial planning. The findings further suggest that savings were not merely an economic activity but also a social commitment, as members felt accountable to the group. In this sense, village banking functioned as both a financial institution and a social control mechanism that enhanced women's financial resilience. Two of the participants had this to say:

*"I decided to join village banking because I saw that it helps in terms of doing business and making savings. Most of the times we don't tend to save as women whilst doing our small businesses in the market. So for instance in our group we save twice a month meaning that a member is at liberty to borrow twice in a month at a very low interest rate"* (Naomi).

*"I opted to join the women village banking facility because I used to struggle to raise some funds to start up a business since I do not have any formal source of income. Secondly I thought it would be the best way of keeping and saving money since keeping money at home is not easy because we tend to misuse it, so joining village banking was going to make it easy for me to secure my savings. I also want to go to school so I want to save money to sponsor myself"* (Margaret).

## Mentorship and financial training

Mentorship and informal financial education emerged as a critical non-monetary service embedded within village banking operations. Participants described village banking groups as learning spaces where women exchanged knowledge on saving, investing, and managing small enterprises. Through regular meetings, members encouraged one another to prioritise productive investments over consumption-oriented borrowing, thereby reshaping financial attitudes and behaviours. The mentorship process was largely peer-driven, drawing on experiential knowledge rather than formal training, yet it played a significant role in improving financial decision-making. Women reported increased awareness of budgeting, reinvestment strategies, and business diversification as a result of these interactions. Additionally, mentorship fostered collective responsibility, as successful members often guided newer or struggling participants. From a sociological perspective, this reflects the role of social capital in economic empowerment, where trust, shared norms, and mutual learning enhance individual and group outcomes. Thus, village banking served as a platform for both economic learning and social reproduction of financial discipline as remarked by the quotations below:

*"I also got motivated to join village banking in order to help and encourage other women. So we actually help women to learn how to save and invest their money in order to prepare for the near future, and this has helped to grow their businesses. And maybe just a way of being financially disciplined on my own"* (Naomi).

*"I can say mentorship is one of the services offered by village banking. We always encourage each other to be prudent with finances and become better at saving. We hold lessons on saving and investments, so that at the end of the day it's not only about us borrowing money for home consumption but to do something tangible. So in short the services I can say include; borrowing and saving and mentorship lessons"* (Josephine).

*"It has changed the way I do business as it has increased my capital. Village banking has taught me how to save and invest, I don't withdrawal money anyhow as it has fixed periods of withdrawing"* (Deborah).

## Loans and credit facilities

Access to affordable credit was universally identified as one of the most significant services provided by village banking facilities. Participants emphasised that loans obtained through village banking were characterised by lower interest rates, flexible repayment schedules, and minimal bureaucratic requirements compared to formal financial institutions and private moneylenders. Credit access enabled women to stabilise struggling businesses, expand trading activities, meet education costs, and address urgent household needs without resorting to exploitative lending arrangements. The ability to borrow up to a multiple of one's savings reinforced the incentive to save consistently, thereby strengthening the sustainability of the lending system. Moreover, the social embeddedness of credit reduced fear of punitive recovery measures, which were common in informal moneylending contexts. However, borrowing was not perceived as purely individual; repayment obligations were understood as collective responsibilities, as defaults affected group liquidity. This reinforces the view that village banking credit operates within a moral economy framework, balancing economic benefit with social accountability. Three of the participants had this to say:

*"[...] I joined the group for village banking because it helps me when my business is going down. Just like that when we save our money to the village banking group, you manage to borrow the money from the group and then boost your business. Also when there are shortages on the school going children, you can buy them what is needed and that's how I joined this group of village banking" (Veronica).*

*"I came to develop some interest when I saw the benefits my friends ripped at the end of the cycle after sharing their savings. It was at that moment when I decided to join so that I also earn something and start saving money for buying my home goods. Also when I looked at the lower interests I was motivated as it provided a breather for me to borrow when I have a problem than borrowing from someone who would take me to police after failing to pay back on time" (Bridget).*

*"What made me to decide to join village banking is because I was facing challenges in finding money for starting a business. I joined village banking so that at least I can boost my business since we usually get some loans. When I get a loan I can boost my business and that's what made me join village banking" (Charity).*

## Interest on savings

Profit generation through interest on savings constituted another important service offered by village banking facilities. Participants reported that their savings attracted a fixed interest rate, often distributed at the end of a savings cycle, which substantially increased the value of their contributions. Unlike commercial banks, where interest accrues to the institution, village banking redistributed interest among members, reinforcing perceptions of fairness and ownership. The circulation of interest payments within the group enhanced capital accumulation while simultaneously sustaining the loan fund amongst the women in the group. Women viewed this mechanism as both a reward for discipline and a motivation for continued participation. The predictable nature of interest returns also supported household planning, as members anticipated lump-sum payouts for major expenditures such as school fees or construction projects. Generally, interest on savings strengthened the attractiveness of village banking as a community-centred financial model that aligns economic incentives with collective welfare. Three participants had this to say:

*"[...] when I have a shortage of funds for my business; I usually go and borrow from the group just like that and when I pay back, even my friend who have a shortage may be helped with the same money from the village banking group. What we usually do is that when they pay back the money which was borrowed, the interest comes to you a borrower and the money increases" (Elizabeth).*

*"Mmmh what motivated me was that it's much easier for me to get assistance with money from the group. What we do is that you borrow twice the amount of money you saved and the interest is low and it's much affordable to pay back than borrowing from the banks and other groups. And also they have affordable time frame of repayment which is affordable" (Linda).*



*“When I save money in the village bank it will generate a twenty percent (20%) interest on the amount of money that you have saved. Aah for our village banking group specifically we have a minimum amount of k250 per month and a maximum amount of k50,000 per month. So a member is required to save an amount of money not less than a k250 per month and then that money accumulate profits with a twenty percent (20%) interest rate per month and in five (5) months’ time, the money will reach k500 when a member saves a k250” (Cindy).*

### **Benefits of Village Bank Membership to Women Market Traders**

Beyond service provision, village banking membership generated wide-ranging economic and social benefits that transformed women’s livelihoods. These benefits extended from business expansion to household welfare improvements and reduced financial vulnerability.

#### **Capital for business expansion**

Access to investment capital emerged as a primary benefit of village banking membership. Women market traders reported using savings and loans to expand existing businesses, diversify income sources, and initiate new enterprises such as tailoring, food vending, and second-hand clothing trade. The availability of capital reduced reliance on irregular income flows and enabled women to restock goods, purchase equipment, and respond to market demand fluctuations. Business growth translated into more stable earnings, which in turn strengthened household financial security. The findings also show that capital accumulation extended beyond business activities to include investments in housing and land acquisition. By enabling women to finance long term assets, village banking contributed to economic stability and intergenerational wealth creation. Importantly, the affordability of village banking credit reduced women’s exposure to debt stress commonly associated with high-interest borrowing. Three of the participants interviewed noted that:

*“The benefits that have come with village are that it helped me save money which I use towards completing my house which is under construction. The money has also assisted me in sorting out certain missing things at home such as food and buying home essentials. Another benefit is that when my business goes down I get money from the facility and add it to my business to revamp it” (Patricia).*

*“One benefit of village banking to me is that my business is going on well because when I get my money from the group, I usually use it to order some goods for my business. Then I don’t suffer because whatever I want to use in my life, I don’t go and ask from another person but I will find it from my own business that I am doing. The second benefit is that like last year in 2022, I managed to buy at least building sand and cement for building at our plot” (Veronica).*

*“Village banking helped me to raise capital for my small business. It has helped me diversify my business ventures as I speak, I have started different types of businesses such as salaula (selling of second hand clothes), door mat making and other small things like selling home-made food item like samosas. Sharing of savings has allowed me to do projects such as starting building works at my plot” (Victoria).*

Expressing similar sentiments, one participant had this to say:

*“The village banking that I joined here with marketers has a fixed interest rate; whatever money you get from the village banking group the interest is fixed until you finish paying. There is nothing like the interest rate is going to increase which makes it so easier for the members of the group to pay back the money” (Margaret).*

#### **Social support mechanisms**

Village banking groups functioned as informal social protection systems through the establishment of social funds. Participants highlighted the importance of these funds in providing immediate assistance during crises such as illness, bereavement, and other household emergencies. Contributions to social funds were collectively agreed upon, reinforcing solidarity and mutual care among members. Unlike loans, social fund assistance was

often non-repayable, reducing financial strain during vulnerable periods. This mechanism enhanced emotional security and reduced reliance on extended family networks that were themselves economically constrained. Sociologically, the presence of social funds underscores the dual economic and welfare role of village banking, positioning it as a community-based alternative to formal social insurance systems. Such support mechanisms strengthened group cohesion and sustained long-term participation as indicated in the quotations below.

*“There are benefits in village banking because sometimes I usually find that I don’t have money but through village banking at least I will be able to go and get some money from village banking so that I can have some money. Sometimes you will find that you have a problem of funeral and there is a sick person, the same money that we contribute to the village banking is used to help the member. This money is called Social Fund. What we usually do is that anyone who has a funeral, we usually help that person with the money. The social fund money comes from the members and each member is requested to contribute any amount such as k10, k20 and many more. But the social fund money is not shared anyhow with the members; we use this money to help our members” (Charity).*

*“The benefits that have come with village banking are that in times of bereavements the village banking has offered me support on several occasion through the provision of a social fund, money which every member is entitled to when faced with a problem and you are not required to pay back the money” (Patricia).*

Expressing similar sentiments, two other participants stated that:

*“When a member has a funeral or is sick, as we save certain amount of money that we save as social funds help us for example when I am sick although they will not touch the savings which I made to the village bank but they will use the social funds to help me. We usually use the social funds to help one another as members in our village bank group. So this is also considered as a benefit because I may be sick but I don’t have where to get the money from and the group will help me” (Deborah).*

*“I get a number of benefits, sometimes I find myself without money to use for emergencies, and if that happens I simply go to village banking and request for some funds, and that’s one of the benefits I have received. Another benefit is that village banking assists in times of calamities like sickness and death. You can access it via social fund that the village banking provides to its members. It comes from our contributions as members” (Margaret).*

In terms of helping family members, three of the participants had this to say:

*“There are a lot of benefits because when you receive the money from the village banking, I will be able to share the money with my mother from the village who used it to buy goats and I also get help myself as well” (Brenda).*

*“Yes I usually help my relatives with the money I get from village banking. For example, when I order goods to my shop and sell them, the profits that I make I usually add on my capital and the remaining amount of money I will share with my relatives who need help with money” (Charity).*

*“At home I buy food for my kids and family when I get my money and sometimes use it to support my parents with some farming inputs like seed and contribute to buying of fertilizer” (Naomi).*

### **Improved Household Livelihoods**

The participants were asked about the effects of the benefits received from village banking on family livelihood. The results revealed that village banking participation significantly improved household livelihoods across multiple dimensions, including nutrition, education, asset ownership, and financial behaviour as presented below.

## Improved the family diet

The improvement in the family diet was one of the themes that emerged from interview data on village banking and family livelihood. Women reported increased ability to provide regular meals, improve dietary diversity, and meet basic household needs. Four of the participants had this to say:

*“As for me in my village banking the benefits that I found are that when there is no food at home I usually manage and if there is no relish, mealie meal at home we buy using the money from the village banking. Even everything that is missing at home I usually manage to buy using my money from village banking” (Barbara).*

*“The benefits that have come with village banking are that the money has also assisted me in sorting out certain missing things at home such as food and buying home essentials” (Patricia).*

*“I get a lot of benefits from village banking because at home I use part of my benefits from village banking to assist my spouse in providing for basic needs and other areas. I buy food, clothes and even home appliances for the family” (Naomi).*

*“I take part of the money from village banking to buy cooking oil, mealie meal, and relish to put them in the refrigerator at home [....]” (Brenda).*

In addition, two other the participants narrated their stories as follows:

*“Mainly with me, I think the village banking has improved our diet I can say. In the past before I joined village banking, we would experience food shortages but that is an issue of the past now, because I have a savings mechanism where I can go and borrow money and carter for what is needed at home without fail. As a result our livelihood has improved diet wise and managing other basic needs” (Betty).*

*“The initiative has really boosted my business as a result; the standards at home have slightly been stabilized. We no longer struggle for meals now as there’s something in the savings. Before I joined the group, I used to struggle a lot to meet three meals in a day but that is long gone now. I manage to feed my family with all the three meals of the day” (Bridget).*

## Educational support for children

Raising money for school was another benefit mentioned by the women market traders. The participants said that access to lump-sum payouts and emergency credit enabled timely payment of school fees, reducing interruptions in children’s education. Three of the participants had this to say:

*“The village banking group helps us marketers in many ways. One of the ways in which village banking helps is for example paying tuition fees for my children at school and the money comes from the village banking because when we contribute for savings, you can borrow and get a loan from the village bank group” (Brenda).*

*“I can say that village banking has helped me to raise money for my school and I am able to pay in time. I have never experienced any challenges with my school fees since I joined village banking. This year I was able to pay an amount of k15000 at once and right now I do not owe the institution. It has really helped to relieve my pressure from home because my family is not affected by my schooling” (Cindy).*

*“It has positively contributed to the betterment of our livelihood. Sometimes I get money on behalf of my husband for our children’s school fees and later on pay back the money in installments. This has reduced the burden my husband has had in terms of looking for school fees and at the same time fending for the family” (Patricia).*

## Asset accumulation

The concept of purchasing furniture was also another theme that emerged from interview data on village banking and family livelihood. Asset accumulation, including furniture, livestock, and household appliances such as electrical sewing machines, chairs, and refrigerators, enhanced living standards and economic security. Two of the participants had this to say:

*"[...] I don't even think of leaving the village banking because it has helped me a lot with things that I didn't have in my life and my family; I managed to buy things such as chairs and refrigerator"* **(Brenda)**.

*"Yes, village banking has helped me because many things have changed in my life. Before joining village banking, I thought of building a house but I couldn't manage to do that because whenever you have money; you think of feeding the children. But with village banking the little you save is helping. For example, before village banking, I was using a manual sewing machine but after joining village banking, I managed to buy an electrical sewing machine at my shop"* **(Deborah)**.

Sharing their experiences, other participants narrated their stories as follows:

*"I got a loan of k10,000 from the village bank group. We bought chairs for k7000 and the remaining money k1000 I used it to buy cement for plastering our house"*.

*"Yes life has changed. I managed to complete my house roofing, bought two (2) cows and two (2) goats for my mother-in-law in the village; and now I continue raising money for School and next year I am going to school"* **(Margaret)**.

## Reduced dependence on money-lenders

Additionally, women noted reduced dependence on moneylenders who were charging them higher interest rates when paying back the borrowed money, which alleviated debt pressure and protected household income. Two of the participants had this to say:

*"As result of village banking I have stopped borrowing money from money lenders who charge exorbitant interest which used to stress me to pay back"* **(Margaret)**.

*"Before I joined village banking, it was not possible for me to buy the basic needs and pay the school fees at the same time. I was finding myself getting a loan somewhere which is very expensive but when I joined village banking it's more flexible for me to receive the interests from the loan and their terms of loan-payment are much better"* **(Linda)**.

## Financial discipline

The study found that participation in village banking also cultivated financial discipline, as structured saving and borrowing rules discouraged impulsive spending. Collectively, these outcomes demonstrate that village banking contributes to sustainable livelihood improvements rather than short-term consumption gains. Participants always use their money from the village banking in a right way in order to promote savings and investments. Two of the participants had this to say:

*"My journey has been awesome and smooth and I would appeal to my fellow women to continue joining such groups and taste the goodness in it. Village banking will teach you how to be financially disciplined and make decisions that are concrete and avoid impulse spending or usage of resources as it promotes investments"* **(Betty)**.

*"Village banking has been a good journey for me because every time I run out of funds I run to village banking for help and I surely get it all the time. So my experience has been very positive and has taught me some lessons in being an entrepreneur in other areas and to make use of my profits prudently"* **(Margaret)**.

The above presentation indicated that women market traders received a number of benefits from village banking facility and each woman has a reason for joining the village bank. Some of those benefits included capital for business expansion, social support mechanisms, and improved household livelihood. Most of the participants said that village banking facility had impacted their family livelihoods by improving nutrition and housing, educational support for children, asset accumulation, reduced dependence on moneylenders, and teaching financial discipline to group members.

### **Social Empowerment and Gender Equality Outcomes**

Participants were asked about the impact of the benefits received from village banking on gender equality in terms of decision making at household level. The study found that village banking participation extended beyond economic benefits to influence women's social positioning, gender relations, and self-perception within households and communities.

#### **Decision-making autonomy**

The findings reveal that village banking enhanced women's participation in household decision-making. The increased financial contributions to household expenses strengthened women's bargaining power, enabling joint decision-making with spouses on major expenditures. Many participants reported improved spousal cooperation, particularly where village banking income supported shared family goals such as education and housing. This shift reflects the link between economic contribution and intra-household power dynamics. However, decision-making autonomy remained relational rather than absolute, shaped by prevailing gender norms and marital dynamics. Nevertheless, village banking provided women with tangible resources that legitimised their voices within the household. Three of the women interviewed stated that:

*"Village banking has helped me improve on making decisions together with my husband. Whenever I get my profits from the group, I make to involve him by way of letting him know and what I plan to do with the money. The good part is that he has been very supportive of the idea and it feels like we are in it together" (Naomi).*

*"When it comes to making decisions, village banking has made it easy for me and spouse to work together and he has been supportive and he intends to join as he has seen the benefits I am getting from village bank. Sometimes when I get a loan from village banking he is the one who even pays it back, so that I can use the money that I have to attend to other needs of the family" (Bridget).*

*"We make decisions together and we sometimes make savings contributions together and when the cycle is over; I get my savings we sit as a couple and decide on what we should use the money for" (Patricia).*

#### **Financial independence**

Financial independence emerged as a key empowerment outcome, as women gained access to personal income streams and savings under their control. Participants expressed increased confidence in managing money and making independent financial decisions, particularly regarding business investment and education expenses. Financial independence reduced women's reliance on spouses for daily needs, enhancing self-reliance and dignity. While many women still practised joint decision-making, the ability to contribute financially altered power relations in subtle but meaningful ways. This aligns with feminist economic perspectives that link control over resources to empowerment outcomes. Three of the participants had this to say:

*"I am the one who makes decisions on how the money is going to be used at our house" (Veronica).*

*"[...] it has given me some freedom to make decisions on my own. Yes, I make my own decisions and have my own money" (Josephine).*

*"We usually make decisions together with my husband and I usually have a final say when it comes to using the money from the village banking because I joined the group mainly to raise the money for school. And my husband is always in support of me where schooling is concerned" (Cindy).*

## Social recognition and leadership

The study revealed that village banking participation enhanced women's social status and recognition within their communities. Successful traders gained respect as economically active and responsible individuals, often assuming informal leadership roles as indicated in the verbatim below.

*"They now call me 'madam trader' because I have a proper stall and don't beg anyone to assist me with some money since I joined the village banking" (Barbara).*

*"People now look up to me because I am doing something positive and I would encourage other women out there to join this helpful group" (Cindy).*

## Social support networks

The study showed that group participation also strengthened social networks, fostering solidarity, trust, and collective identity among women. These networks provided emotional support, information exchange, and mutual encouragement, reinforcing resilience. The social visibility associated with economic success further challenged traditional perceptions of women's economic roles.

*"These women from the group are like sisters to me; we support each other by offering loans and interests at lower rates to the new members coming to join the village banking group" (Naomi).*

## Self-esteem and confidence

The study found that engagement in village banking has boosted self-worth of most women market traders at Chirundu market. Women reported increased self-esteem and confidence arising from business success and financial competence as remarked in the verbatim below.

*"I never imagined I could manage a business. Now I feel proud of myself because many things have changed in my life as a result of village banking and I managed to buy two cattle for my family" (Charity).*

## Household tensions

However, the findings also reveal instances of household tension, particularly where women's financial autonomy challenged established gender norms. Some participants experienced resistance from spouses, leading to conflicts over borrowing decisions and financial control. These tensions highlight the complex and sometimes contradictory gender outcomes of economic empowerment initiatives. While village banking promoted autonomy and confidence, it also exposed underlying power struggles within households, underscoring the need for gender-sensitive programme design. Two of the participants had this to say:

*"When it comes to decision making, it has brought a bit of a problem I must say with my husband though not something serious. Before I apply for a loan I sit with my husband to seek his approval but sometimes he stops me and that builds some conflict though not a serious one. As a result we end up doing certain things as women in secrecy without the knowledge of your spouse. Then when he discovers later, it brews some form of mistrust and misunderstanding" (Victoria).*

*"My husband is the one who makes decisions most of the time. Sometimes myself will think and tell him that now I want to do this; I want to do this yeah" (Barbara).*

The above presentation alluded to the fact that village banking facility had impacted many women market traders on gender equality when making decision at household level equality in decision making and financial freedom while other women market traders experienced resistance from the husbands due to mistrust and misunderstanding between the couple.

### 3.6 Challenges Experienced by Women Market Traders in Village Banking

The participants were asked about the major problems faced by women as members of the village banking facility. Despite its benefits, village banking participation was not without challenges, which affected group sustainability and individual outcomes. The challenges identified were; loan default by members, rule violation, absenteeism and poor participation of members, business loss, inadequate investment capital, and lack of accountability from leaders, as presented below.

#### Loan default

Loan default by members emerged as a major challenge, undermining group liquidity and trust. The study found that defaults disrupted savings cycles, delayed payouts, and strained relationships among members. These challenges highlight governance and enforcement weaknesses within informal financial institutions. Three of the participants had this to say:

*“We have been experiencing delayed payments by some members. Some members will borrow money and disappear, that has a negative impact on the rest of the members as they will not get their savings in full or as expected because it means we now have a deficit. That can disturb planning and budgeting because we all plan according to what we are expecting” (Naomi).*

*“One of the problems faced in the village banking is the members defaulting to pay back the money they borrowed from the group. For example, like this time we are moving towards the end of the year but other members who borrowed money are nowhere to be seen. We have about thirteen (13) members who still owe the group with money” (Cindy).*

#### Rule violations

Failure to follow the rules of the village banking was another theme that emerged from interview data on village bank challenges. The participants mentioned that failure to adhere to group rules, including repayment schedules and meeting attendance, further weakened group cohesion. One participant had this to say:

*“Sometimes people fail to follow the rules which were put in place for the village banking members. So when people have gotten loans and they have failed to pay back, we usually give them penalties to pay. The time they will be paying back, the money for the penalty should be added on top of the money for the repayment. When a member makes noise during meetings, we make them pay a certain amount of money, and also when a phone rings during meetings, they are charged to pay money. Coming late for the meeting, they also pay a certain amount of money but normally the rules are not followed in the group” (Barbara).*

#### Absenteeism and poor participation of members

Absenteeism of members from group meetings was also another challenge that emerged from interview data on village bank. Absenteeism, particularly among indebted members, reduced participation and discouraged continued contributions by others. Two of the participants had this to say:

*“Sometimes, members borrow money and stop showing up for meetings. As a result some other members start being hesitant to contribute thinking that they can lose their money from members that are not showing up. That affects the savings amounts and reduces borrowing chances” (Betty).*

*“Some of the members usually borrow the money from the village banking and after borrowing, they usually stay at home and stop coming to the village banking group. They even stop attending the meetings for the group and also they don't contribute to the group for savings” (Elizabeth).*

#### Business loss

The issue of business loss was also one of the themes that emerged from interview data on village bank challenges. The study findings revealed that economic volatility and slow business performance limited women's ability to repay loans and contribute consistently. Two of the participants had this to say:

*“Sometimes you find that you get money and pump it into a business but because of economic hardships you find that the business does not do well and you do not get the anticipated profits and end up running into a loss. This cause a delay when it comes to paying back the loan and to some extent failure by others to pay what they got, thereby affecting the entire groups’ savings” (Patricia).*

*“Aah challenges are there because nowadays businesses are slow; you will find that it’s a challenge for someone to get a loan from the village bank to avoid failing to repay that loan. This is because your savings from village bank are used to recover that loan if you borrowed and you remain with nothing” (Deborah).*

### **Inadequate investment capital**

Inadequate investment capital was another theme that emerged from interview data on village bank challenges. Inadequate investment capital constrained the scale of business activities, reducing income growth potential. The participants mentioned that sometimes they usually want to borrow money from the group in order to boost their business but they always fail due to insufficient funds saved by the group. Two of the participants had this to say:

*“I think one of the challenges we face is lack of huge sums of money to save big so that you can borrow a huge amount to invest big. This prevents most women from doing tangible things even when they get their dues from their savings” (Victoria).*

*“The problem that I found in the village banking sometimes the box does not meet the needs of the members of the village banking” (Barbara).*

### **Lack of accountability from leaders**

Participants raised concerns about leadership accountability, citing lack of transparency in financial management. When a member questions some of the leaders on expenditure of the money, they always responded in rudeness and angry. The participants complained that weak accountability mechanisms eroded trust and threatened group sustainability. Collectively, these challenges point to the need for capacity building in financial management, leadership training, and external support to strengthen village banking governance. One of the participants said:

*“One problem faced by women in our village banking group is that group leaders do not want to be accountable with regard to the use of the money. For example, during our meetings leaders become angry when a member has asked them to explain how certain money was used. Most of the time leaders usually become rude when it’s time to evaluate the expenditure of the money in the group” (Cindy).*

The above presentation alluded to the fact that women as members of the village banking facility experienced several challenges. Some of those challenges experienced included; loan default by members, rule violations, absenteeism and poor participation of members, business loss, inadequate investment capital, and lack of accountability from group leaders. These challenges had negative impact on the operation of the group because members were not able to get their savings in full and this disturbed the planning and budgeting of the group. These findings provide critical insights for policy and practice aimed at leveraging community-based finance for inclusive and sustainable development.

### **Discussion and Interpretation of Findings**

This discussion chapter critically interprets the empirical findings of the study on village banking and women’s economic empowerment among market traders in Chirundu District, Zambia. The discussion is structured around the study’s objectives and emerging themes, situating the findings within contemporary sociological, gender, and microfinance scholarship. By integrating Social Capital Theory (Bourdieu, 1986; Putnam, 2000), Feminist Empowerment Theory (Mayoux, 2005), and Relational Risk Theory (Boholm & Corvellec, 2011), the chapter demonstrates how village banking functions simultaneously as a financial mechanism, a social institution, and a gendered space of negotiation. The discussion further highlights areas of convergence and divergence with recent global, African, and Zambian empirical literature.



## Services Provided by Village Banking Facilities to Women Market Traders

The study findings indicate that village banking provides accessible and flexible savings opportunities that are responsive to the irregular income patterns of women market traders. Unlike formal banking institutions, village banking enables women to save according to their capacity, thereby reducing exclusion linked to minimum balance requirements and rigid deposit schedules. These results confirm the recent qualitative studies from sub-Saharan Africa which revealed that informal group-based savings schemes remain the most inclusive financial entry point for women operating in the informal economy (Bateman et al., 2022; Kabeer, 2023). In Zambia specifically, Chisenga (2018) found that savings groups enhanced women's liquidity management and resilience against income shocks. The Chirundu findings reinforce this literature by demonstrating that savings were not only used for business capital but also for social reproduction needs such as healthcare, funerals, and education. From a social capital perspective, pooled savings strengthened trust and reciprocity among members, reinforcing collective responsibility and financial discipline. This confirms that savings within village banking operate as both an economic and social safety mechanism, particularly in contexts characterized by economic precarity.

Regarding the concepts of mentorship and financial training, the study revealed that mentorship and informal financial training are integral services embedded within village banking operations. Women participants emphasized peer learning, encouragement, and shared problem-solving as key motivations for joining village banking groups. This finding aligns with recent feminist development research which argues that non-financial services are often more transformative than credit alone (Johnson, 2022; Mayoux, 2005). Similarly, evidence from Kenya and Malawi suggests that peer mentorship within savings groups enhances women's financial literacy, business confidence, and leadership skills (Gash & Odell, 2023; Katowa et al., 2025). In Chirundu, mentorship was largely experiential and relational rather than formalized, reflecting the embeddedness of learning within everyday social interactions. This supports Putnam's (2000) assertion that social networks facilitate the transmission of norms, skills, and values that enhance collective outcomes. However, the informal nature of mentorship also raises concerns about uneven knowledge transfer, suggesting a need for structured capacity-building interventions.

The study further found that access to low-interest; flexible loans emerged as one of the most valued services provided by village banking. Participants reported using loans for business expansion, household needs, and emergency expenditures, underscoring the multifunctional role of credit in women's livelihoods. These results confirm the recent African studies which found that group-based lending remains more accessible and culturally acceptable than formal microfinance for women in informal trade (D'Espallier et al., 2023; World Bank, 2024). In Zambia, Hapompwe et al (2021) found that village banking loans improved women's business continuity but did not always translate into significant enterprise growth due to market constraints. The Chirundu findings echo this nuanced impact, showing that while credit access enhanced short-term financial stability, it did not fully shield women from business risks. From a relational risk perspective, loan access simultaneously empowered women and exposed them to vulnerability when businesses underperformed, illustrating the ambivalent nature of microcredit.

The study also revealed that provision of interest on savings was identified as a distinctive incentive that differentiated village banking from formal financial institutions. Participants valued the redistribution of interest generated from internal lending, which enhanced their end-of-cycle returns. These results correspond with the recent studies in Tanzania and Uganda which reported that internal interest mechanisms increase members' commitment and savings consistency (Karlsson & Lundström, 2022; Mponzi et al., 2023). In Chirundu, the reported 20% interest rate reinforced perceptions of fairness and collective ownership, strengthening group cohesion. However, scholars caution that high internal interest rates may inadvertently increase pressure on borrowers, especially during periods of low business performance (Bateman et al., 2022). This finding highlights the need for balanced interest-setting practices that protect both savers and borrowers within village banking systems.

## Benefits of Village Bank Membership to Women Market Traders

The study findings revealed that village banking membership enabled women market traders to accumulate capital for business expansion, purchase stock, and diversify income-generating activities. This aligns with recent qualitative evidence from Ghana and Zimbabwe showing that savings-led microfinance enhances

women's entrepreneurial agency more effectively than externally driven credit schemes (Dzisi & Obeng, 2022; Moyo & Chinoda, 2022). In Chirundu, women reported incremental business growth rather than rapid expansion, reflecting the realities of saturated local markets. While the scale of growth remained modest, the stability gained through predictable access to capital contributed significantly to women's economic security. This supports Mayoux's (2005) argument that empowerment should be assessed through sustainability and control rather than income magnitude alone.

In addition, the study demonstrated that village banking functions as a critical social support system, particularly during emergencies such as illness and bereavement. These results correspond with the recent African scholarship which emphasizes that the social fund component of savings groups plays a vital role in mitigating vulnerability among women in informal economies (Kinyua et al., 2022; Roelen et al., 2022). In Chirundu, social funds reduced reliance on exploitative moneylenders and reinforced collective solidarity. These findings reaffirm Bourdieu's (1986) notion of social capital as a resource embedded in durable networks of mutual recognition. However, the sustainability of these support mechanisms depends on effective governance and transparency within groups.

The study further showed that village banking benefits translated into tangible improvements in household livelihoods, including education, nutrition, housing, asset accumulation, and reduced dependence on moneylenders. These results confirm the recent studies from Zambia and Malawi which found that women's participation in savings groups is associated with improved child welfare and household food security (FAO, 2022; Chanda & Banda, 2023). The Chirundu findings further show that women prioritized expenditures that enhanced long-term household resilience, such as education and housing. This challenges critiques that microfinance merely shifts women's labour burden without substantive welfare gains (Bateman, 2022). Nonetheless, the study also reveals that livelihood improvements were uneven and contingent on market performance and household dynamics.

### **Social Empowerment and Gender Equality**

Concerning social empowerment and gender equality, the study found that village banking membership enhanced women's decision-making autonomy, financial independence, and social recognition. Participants reported increased involvement in household financial decisions and greater confidence in managing income. These findings are consistent with recent feminist microfinance studies that highlight the relational nature of empowerment (Kabere, 2023; Cornwall & Edwards, 2022). In Zambia, Mwila and Simfukwe (2024) found that women's economic contributions through savings groups increased their bargaining power within households. However, the study also identified tensions, including spousal resistance and intra-household conflict. This reflects broader African evidence that economic empowerment can disrupt entrenched gender norms, sometimes triggering backlash (Heise et al., 2023; Sibeso, 2022). The Chirundu case illustrates that empowerment is neither linear nor universally positive, underscoring the need for gender-transformative approaches that engage men alongside women in the societies.

### **Challenges Experienced by Women Market Traders**

The study found that women market traders faced multiple challenges, including loan default, rule violations, absenteeism, business losses, inadequate capital, and weak leadership accountability. These challenges mirror findings from recent studies in Tanzania, Rwanda, and Zambia, which identify governance weaknesses and economic volatility as persistent constraints in village banking models (Rutenge, 2016; Sichilongo & Sinkala, 2021; IFAD, 2024). From a relational risk theory perspective, women's empowerment (object at risk) is threatened by vulnerabilities such as poor leadership, market instability, and social conflict (risk objects). The lack of accountability among leaders undermined trust, eroding the social capital essential for group sustainability. These findings suggest that without strong institutional norms and monitoring mechanisms, village banking may reproduce new forms of inequality and risk.

## **CONCLUSION**

This study demonstrates that village banking plays a transformative role in enhancing the economic empowerment of women market traders in Chirundu District through the provision of accessible and community-

driven financial services. Core services such as savings opportunities, loans and credit facilities, interest on savings, and mentorship with financial training were found to be instrumental in strengthening women's capacity to initiate and expand income-generating activities. The benefits of village bank membership extended beyond enterprise development to include improved household livelihoods, evidenced by better nutrition, enhanced housing conditions, asset accumulation, and consistent educational support for children. Importantly, village banking reduced women's dependence on informal moneylenders, fostering financial discipline and long-term economic planning among participants. Beyond material outcomes, the study reveals that village banking contributes significantly to social empowerment and gender equality by enhancing women's financial independence, decision-making autonomy, social recognition, and selfconfidence within households and communities. Participation in collective financial networks also strengthened social support mechanisms and solidarity among women traders, reinforcing resilience in the face of economic shocks. Nevertheless, these gains were moderated by challenges such as loan default, weak enforcement of group rules, absenteeism, business losses, and leadership accountability deficits, which constrained the sustainability of some village banking groups. In some cases, increased economic agency among women generated conflicts and misunderstandings within households, highlighting the complex intersection between economic empowerment and entrenched gender norms. Generally, the study concludes that village banking is a vital sociological and economic instrument for women's empowerment in informal markets, but its long-term impact depends on strengthened governance structures, enhanced financial literacy, and supportive policy frameworks.

### **Limitations of the Study**

While the study provides valuable insights into the role of village banking in women's economic empowerment, several limitations should be acknowledged. Firstly, the qualitative nature of the study and the relatively small sample size limited to fifteen women market traders restricts the generalisability of the findings beyond the Chirundu context. Secondly, logistical challenges during data collection, including difficulty in locating participants at agreed times and delays in obtaining gatekeeper consent at the market level, extended the data collection period and constrained participant availability. Third, some potential participants declined to take part due to expectations of financial compensation, which may have resulted in the exclusion of voices from women facing more acute economic vulnerability. Additionally, the study relied on self-reported experiences, which may be subject to recall bias or social desirability bias, particularly in discussions related to household decision-making and financial management. The exclusive focus on women participants, while central to the study's objectives, limited comparative insights into male perspectives and household power dynamics. Finally, the absence of longitudinal data meant that the study could not assess long-term economic trajectories or sustainability outcomes associated with village banking participation. These limitations underscore the need for cautious interpretation of the findings while also pointing to opportunities for future research.

### **RECOMMENDATIONS**

Based on the study findings, several recommendations are proposed to strengthen the effectiveness and sustainability of village banking initiatives among women market traders in Chirundu District. Firstly, there is a critical need to enhance accountability and transparency among village banking leadership through regular financial reporting, participatory decision-making, and clearly defined governance structures. Strengthened leadership accountability would help mitigate loan default, misuse of funds, and declining member trust. Secondly, village banking groups should be supported to open and operate formal group bank accounts to improve financial security, enhance savings mobilisation, and enable access to interest-bearing financial products within regulated institutions. Such linkages would also facilitate integration with broader financial inclusion strategies. Thirdly, targeted financial support from government and development partners, including integration with the Constituency Development Fund (CDF), should be prioritised to address inadequate investment capital and scale up women-led enterprises. Fourthly, structured mentorship and financial literacy programmes should be institutionalised within village banking groups to strengthen members' competencies in savings management, investment planning, and risk mitigation. These programmes would improve business sustainability and reduce loan default rates. Fifth, the introduction of collective income-generating projects is recommended to enhance group cohesion, diversify income streams, and build shared economic resilience. Finally, future research should adopt mixed-methods and longitudinal approaches to capture both quantitative impacts and long-term empowerment outcomes associated with village banking. Expanding the scope of participants to include men and household stakeholders would provide deeper insights into gender relations,

intra-household dynamics, and conflict resolution processes arising from women's economic empowerment. Such research would contribute to more inclusive policy interventions and strengthen the evidence base for scaling village banking models across Zambia and similar contexts.

### About The Authors (Biography)



**Rhoidah Chifulo** holds a Master of Community Development and Social Work from the University of Zambia. Currently, she is serving as a Community Development Officer at Chirundu Town Council Planning Department, Chirundu District. Her areas of expertise spans from conducting Community Service and Social Protection and working directly with Ward Development Committees, managing the implementation and monitoring of Constituency Development Fund (CDF) as well as Sports Development.

**Email:** [rechifulo@gmail.com](mailto:rechifulo@gmail.com)



**Wilson L. Phiri** Holds a Bachelor of Arts degree in Sociology with Development Studies from the University of Zambia (BA-UNZA), Zambia and a Master of Arts in Sociology from the University of Zambia (MA-UNZA), Zambia. Wilson has several years of experience in academia and corporate world which is that of tutoring, lecturing, training, supervision of research work, data collection, and research consultancy. Wilson L. Phiri is currently a full-time lecturer at Mulungushi University, in the School of Social Sciences, Social Development Studies (SDS) department lecturing Sociology and Social Science Research courses at the same institution. His areas of competence include; Qualitative research, mixed methods research, Social institutions and poverty reduction, Violence, Social Impact Assessment, and Sociological theories.

**Email:** [phiriwilson9@gmail.com](mailto:phiriwilson9@gmail.com)

### REFERENCE

1. Addeo, D. F. (2013). *Hermeneutics as a Research Method: How to do research using Hermeneutics approach*. Italy: University of Salerno.
2. Bateman, M. (2022). *The rise and fall of microfinance: Development, debt and disillusion*. London: Routledge.
3. Bateman, M., Blankenburg, S. and Kozul-Wright, R. (2022). 'Microfinance and poverty reduction: Why the false promises persist'. *World Development*, 149, pp. 105681-105681. <https://doi.org/10.1016/j.worlddev.2021.105681>
4. Best, J. W. and Kahn, J. V. (2003). *Research in Education*. Boston: Library of Congress Cataloguing-in Publication data.
5. Biggerstaff, D. L. and Thompson, A. R. (2008). *Interpretative Phenomenological Analysis (IPA): A Qualitative Methodology of Choice in Healthcare Research*. *Qualitative Research in Psychology*, 5(3): 214-224.
6. Birks, M. and Mills, J. (2011). *Grounded theory: A practical guide*. London: Sage.

7. Boholm, Å. & Corvellec, H. (2011). A relational theory of risk. *Journal of Risk Research*, 14, pp. 175190. <http://dx.doi.org/10.1080/13669877.2010.515313>.
8. Bourdieu, P. (1986). 'The forms of capital'. In Richardson, J.G. (Ed.), *Handbook of theory and research for the sociology of education*. New York: Greenwood Press, pp. 241-258.
9. Braun, V. and Clarke, V. (2006). *Using Thematic Analysis in Psychology*. *Qualitative Research in Psychology*, 3, pp. 77-101.
10. Brody, C., De Hoop, T. and Vojtkova, M. (2022). 'Economic self-help group programmes for improving women's empowerment'. *Campbell Systematic Reviews*, 18(2), e1220. <https://doi.org/10.1002/cl2.1220>
11. Bryman, A. (2012). *Social Research Methods*, 4<sup>th</sup> edition. Oxford: Oxford University Press.
12. Bryman, A. (2016). *Social Research Methods*, 5<sup>th</sup> edition. Oxford: Oxford University Press.
13. Central Statistical Office [CSO] (2022). *Labour Force Survey Report*. Lusaka: CSO.
14. Chanda, M. and Banda, R. (2023). 'Savings groups and women's household welfare in Zambia: Evidence from rural and peri-urban communities'. *Journal of African Development*, 25(2), pp. 89-108. <https://doi.org/10.5325/jafrideve.25.2.0089>
15. Chijere, M. & Mweso, N. M. (2024). Financial inclusion through village banks: The gateway to women's economic empowerment in Malawi. *Journal of the African Women Studies Centre*, 6(2), pp. 2233.
16. Chisenga, M. K. (2018). *Measuring the effects of village bank programme on household income: a case study of Vulamkoko village in Katete district Zambia*. PhD Thesis: Mulungushi University.
17. Cornwall, A. and Edwards, J. (2022). 'Women's empowerment: What works and why?' *World Development*, 156, pp. 105888-105888. <https://doi.org/10.1016/j.worlddev.2022.105888>
18. Creswell, J. W. (2013). *Qualitative Inquiry and research design choosing among five approaches*, 3<sup>rd</sup> edition. Thousand Oaks, CA: Sage Publications.
19. Creswell, J. W. and Creswell, J. D. (2017). *Research design: Qualitative, quantitative, and mixed methods approaches*. London: SAGE Publications, Inc.
20. Creswell, J. W. and Poth, C. N. (2017). *Qualitative inquiry and research design: Choosing among five approaches*, 4<sup>th</sup> edition. Thousand Oaks, CA: Sage.
21. D'Espallier, B., Guérin, I. and Mersland, R. (2023). 'Women and repayment performance in microfinance: A global analysis'. *World Development*, 162, pp. 106102-106102. <https://doi.org/10.1016/j.worlddev.2022.106102>
22. Demirgüç-Kunt, A., Klapper, L. and Singer, D. (2022). *The Global Findex Database 2021*. Washington, DC: World Bank.
23. Dzisi, S., & Obeng, E. (2021). An Explorative Study of the Village Banking Innovation in Sunyani, Ghana. *International Research Journal of Advanced Engineering and Science*, 6(3), pp. 371-378.
24. Floyd, A. and Arthur, L. (2012). Researching from within: External and Internal ethical engagement. *International journal of Research and Methods in Education*, 35(2), 171-180.
25. Food and Agriculture Organization of the United Nations [FAO] (2022). *Women's savings groups and food security in Southern Africa*. Rome: FAO.
26. FSD Zambia (2023). *Financial Inclusion Insights Report*. Lusaka: FSD Zambia.
27. Gash, M. and Odell, K. (2023). 'The evidence-based story of savings groups: A pathway to inclusive finance'. *Enterprise Development and Microfinance*, 34(1), pp. 1-15. <https://doi.org/10.3362/17551986.23-00001>
28. Greenbanks, P. (2003). The role of values in educational research: The case for reflexivity. *British Educational Research Journal*, 29(6), 791-801.
29. Hapompwe, L., Siwale, J., & Banda, L. (2021). Village Banking Innovation in Urban Zambia. *Social Work Forum*, 10(2), 33-49.
30. Heise, L., Gibbs, A., Li, Y., McLean, L. and Stavropoulou, M. (2023). 'Economic empowerment and intimate partner violence: A systematic review and meta-analysis'. *The Lancet Global Health*, 11(3), pp. e345-e356. [https://doi.org/10.1016/S2214-109X\(22\)00508-8](https://doi.org/10.1016/S2214-109X(22)00508-8)
31. Hesse-Biber, S. and Johnson, R. B. (2015). *The Oxford Handbook of Multimethod and Mixed Methods Research Inquiry*. New York: Oxford University Press.
32. International Fund for Agricultural Development [IFAD] (2024). *Inclusive rural finance in Africa: Advancing women's economic leadership*. Rome: IFAD.
33. Johnson, S. (2022). 'Gender and financial inclusion: Rethinking access and power'. *Development and Change*, 53(2), pp. 451-476. <https://doi.org/10.1111/dech.12702>

34. Kabeer, N. (2023). 'Gender equality, economic empowerment and social change'. *Feminist Economics*, 29(1), pp. 1-29. <https://doi.org/10.1080/13545701.2022.2147921>
35. Karlsson, A. and Lundström, S. (2022). 'Savings groups, resilience and women's agency in low-income contexts'. *Journal of Development Studies*, 58(9), pp. 1703-1721. <https://doi.org/10.1080/00220388.2021.2019734>
36. Katowa, V., Siamabele, B., Mumba, M.H., Mbengwa, M., Simoonga, R.K. & Salimata, C. (2025). Women's Economic Empowerment through Village Banking: Evidence from Kaunda Square Stage One, Lusaka. *Archives of Current Research International*, 25(9), 164-184. <https://doi.org/10.9734/acri/2025/v25i91485>
37. Kings, N. and Horrocks, C. (2010). *Interviews in qualitative Research*. London: Sage.
38. Kinyua, J. W., Kiiru, G., and Njoroge, D. (2022). "Effect of Client Appraisal and Loan Monitoring Strategies on the Repayment of Revolving Funds in Kenya". *International Journal of Managerial Studies and Research (IJMSR)*, 10(8), pp. 1-11. Doi: <https://doi.org/10.20431/2349-0349.1008001>.
39. Ksoll, C., Lilleør, H. and Rasmussen, O. (2023). 'Impact of savings groups on women's economic outcomes'. *World Development*, 162, 106094. <https://doi.org/10.1016/j.worlddev.2022.106094>
40. Lweendo, E. M. (2022). The impact of village banking on financial inclusion for female marketeers: A case study of Masala market in Ndola. PhD Thesis: The University of Zambia.
41. Matemba, N. & Kumwenda, H. (2025). Investigation on the Role of Women Village Bank on Alleviating Rural Household Financial Vulnerability: A Case Study, Mangochi, Malawi. *i-manager Journal on Economics & Commerce*, 5(1), 32-39.
42. Mayoux, L. (2005). Women's Empowerment through Sustainable Microfinance. Rethinking Best. Retrieved from [http://gamechangenetwork.org/wp\\_content/uploads/2017/02/taraqee\\_Report\\_draft.pdf](http://gamechangenetwork.org/wp_content/uploads/2017/02/taraqee_Report_draft.pdf)
43. Moyo, D., & Chinoda, T. (2022). Impact of Village Savings and Loan Associations on Food Security in Marange Community in Mutare District. *Bohor International Journal of Multi-Disciplinary*, 2(12), pp. 110-124.
44. Mponzi, W. M., Binyaruka, D., & Kaindoa, P. E. (2023). Exploring the potential of village community banking as a community-based financing system for house improvements and malaria vector control in rural Tanzania. *PLOS Global Public Health*, 3, e0002395. [10.1371/journal.pgph.0002395](https://doi.org/10.1371/journal.pgph.0002395).
45. Mulenga, R. & Muuka, N.N. (2024). The Nexus Between "Village" Banking Model & Women's Financial Inclusion in Zambia. *American Journal of Applied Statistics and Economics*, 3(1), 154-166. <https://doi.org/10.54536/ajase.v3i1.3793>
46. Munthali, G.N., Wu, X., Nambiro Wolesson Dzimbiri, M. et al. (2022). An investigation of the Sustainability of Village Savings and Loans Associations (VSLAs) amidst Covid-19 and its impact on household income levels: lessons from Malawi, Sub-Saharan Africa. *BMC Public Health*, 22, 1072. <https://doi.org/10.1186/s12889-022-13303-9>.
47. Mwila, B. & Simfukwe, H. (2024). An Assessment of the Growth and Sustainability of Community Village Banking in the Zambian Financial Markets. *Archives of Current Research International*, 16(2), 114.
48. Nalungwe, B. (2023). 'Border economies and women's informal trade in Southern Africa'. *Development Southern Africa*, 40(4), pp. 521-537. <https://doi.org/10.1080/0376835X.2022.2145668>
49. Putnam, R.D. (2000). *Bowling Alone: The Collapse and Revival of American Community*. New York: Simon and Schuster.
50. Qazi, S. W., & Rashidi, Z. (2018b). Phenomenological Experiences of Women through Microcredit Programs of Upper Sindh: Stepping towards the Empowerment. *NICE Research Journal*, 200-222.
51. Roelen, K., & Rodriguez, K. (2022). The poverty reduction effect of social protection: The pros and cons of monetary and in-kind benefits. *Palgrave Communications*, 9(1), pp. 1-13.
52. Sibeso, G. (2022). Evaluating village banking and business expansion among Soweto marketeers in Lusaka. Master's Thesis: The University of Zambia.
53. Sichilongo, M. & Sinkala, N. K. (2021). "How Women are Benefiting from Village Banking. A Case of Katuba Constituency". *International Journal of Humanities Social Sciences and Education (IJHSSE)*, 8(1), pp. 118-132. doi: <https://doi.org/10.20431/2349-0381.0811015>.
54. Sikaluzwe Mushikiti, M. (2024). "An Assessment of the Growth and Sustainability of Community Village Banking in the Zambian Financial Markets." *International Journal of Research and Innovation in Social Science (IJRISS)*, 9(9), pp. 4117-4132.

55. Smith, J. A. and Osborn, M. (2008). Interpretative Phenomenological Analysis. In Smith, J. A. (ed), *Qualitative Psychology: A Practical Guide to Research Methods*, 2<sup>nd</sup> edition, pp. 53-80. London: Sage.
56. Smith, J. A., Flower, P., and Larkin, M. (2009). *Interpretative phenomenological analysis: theory, method and research*. USA: Sage Publications.
57. World Bank (2023). *Enhancing women's participation in economic development*. Washington, DC: World Bank.
58. World Bank (2024). *Financial inclusion and women's empowerment in Sub-Saharan Africa*. Washington, DC: World Bank.