



Improvement on the Well-Being of Women with Disabilities upon accessing LGA Loan in Arusha. A Case of Arusha City Council

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ABSTRACT:

Local government authorities in Tanzania play a greater role in improving the living standards of people in communities, including women with disabilities. LGA loans were introduced by local government authorities as a special loan package for people with disabilities, where women with disabilities were included. This study focuses on exploring areas of improvement for women with disabilities after accessing LGA loans at Arusha City Council. A sample of 107 respondents, mainly women with disabilities, were involved in this study. In the study, key informant interviews were conducted with ward community development officers, group coordinators, and leaders of people with disabilities. Again, a mixed-methods questionnaire and a structured interview were employed as tools for data collection. With the help of the Statistical Package for Social Science (SPSS), descriptive statistics were used, and data were presented in tabular form. Findings revealed that women with disabilities were highly improved on income aspects compared to health and education. Consequently, the study offers several recommendations whereby local government authorities should provide comprehensive training in group loans to the targeted beneficiaries, including women with disabilities. Also, women with disabilities should be very careful about the character of each member before acceptance into a group for further steps in accessing loans.

Key words: *LGA loan, well-being, women with disabilities*

1. Introduction

In Agenda 21 and the 2030 Agenda, the United Nations insisted that local government should play a greater role in the development of programs that educate and engage local communities, where one of the focuses was improving the living standards of different groups at the community level, including women with disabilities. The engagement strategies enhance achieving better service delivery by involving citizens in all categories, including women with disabilities, and tapping a wide range of useful information and perspectives, which leads to a sustainable solution (Atisa *et al*, 2021 and Shannon & O'Leary, 2020).

Local government authorities in Tanzania are important players in a number of areas, including supporting business empowerment through the provision of soft loans, business infrastructure, and local investment support. These actions have resulted in the provision of economic development at the community level, raising living standards, generating jobs, and increasing per capita income (Rugeiyamu *et al*, 2019).

The majority of LGA loan beneficiaries, including women with disabilities, were able to create income generating activities that aligned with the intervention's objective. As a result, it was discovered that this loan had the benefit of raising the beneficiaries' income, which improved their financial situation. Additionally, by being able to obtain LGA loans, women with disabilities are able to own property, which supports their ability to give their children a good education, improve family meals (balanced diet), make it easier for them to access health services, and ultimately strengthen their capacity for reasoned decision-making (Mpalala, 2023 and Swalehe, 2019).

Till 2018, when local government authorities introduced the special loan package for People with Disabilities Fund (PWDF) where women with disabilities were among. This package also enables women with disabilities to access loans at favorable terms since women with disabilities face numerous discriminations when trying to access microfinance services. These discriminations takes many forms, including statistical and taste-based discriminations, which are sometimes linked to the attitudes of employees in a particular credit institutions. This has resulted in unwelcoming behavior from microfinance staff, unaffordable credit conditions, and significant exclusion in both rural and urban areas (Welwel, 2022 and Sarker, 2022).

2. Research Methodology

2.1 Research Design

This study adopted a cross-sectional research design. Both quantitative and qualitative which is a mixed approach whereby data collected through questionnaire survey and in- depth interview. The researcher employed a cross-sectional research design since it allows data to be collected at once, thus it saves time.

2.2 Description of the Study Area

This study held in Arusha city council which found in Arusha region in Northern Tanzania. According to a 2012 Census, the population was 416,442 people, of which 199,524 are male and 216,918 are female. The study area is selected due to the fact that it is one of the areas which empower disable groups (Arusha City Council, 2022; Abwe, 2020).

2.3 Sample size and Sampling techniques

2.3.1 Research sample selection

For the matter of getting the genuine sample size in relation to time allocated and source funds to this study, Taro Yamane formula was applied (Yamane, 1967).

The Taro Yamane formula is given as:

$$n = \frac{N}{1 + N(e)^2}$$

Now;

“n” stands for sample size

“N” stands for Total population of the target population while “e” stands for margin error

That means in relation to our study, N = 167 and e = 0.05

Thus, at the end of this computation, a sample size of 107 respondents out of 118 were included from disabled women who were the beneficiaries of LGA loan in Arusha city council in different years since the loan introduced.

2.3.2 Sampling techniques

Based on the nature of this study, both probability and non-probability sampling processes were applied in the sense that systematic sampling was employed to identify women with disabilities who benefited from LGA loans, while purposive sampling was applied to obtain key informants so as to supplement the information. These key informants were selected from the area of the study based on the fact that they are responsible in different ways to facilitate the accessibility of LGA loans for women with disabilities.

2.4 Methods of data collection

2.4.1 Household survey

This is one of the methods applied in data collection, where a questionnaire as a tool for data collection was employed. The nature of the questionnaire involved both close and open-ended questions in order to give respondents a wide chance to give information. This method was applied to collect quantitative data from women with disabilities who have benefited from the local government authority loan.

2.4.2 Interview

This method of data collection was applied to grasp qualitative information from the field, where a checklist was employed as a tool. A structured interview was applied in order to control the respondent and find justification or proof of what the target respondents presented on their tool. The researcher develops a structured interview based on the specific objectives in order to control the respondent due to the time limit. This method was applied to the ward community development officers, group coordinators, and leaders of people with disabilities associations. The data collected from this method was analyzed using thematic analysis.

3.0 Results and Discussions

3.1 Demographic and Socioeconomic Characteristics of Respondents

3.1.1 Education level of the respondents

This category used to obtain information on the level of education attained by a person were it was then grouped into three parts those are primary level, secondary level and tertiary level.

Table 1: Education level of the respondents

Education level	Frequency	Percent
Primary	86	80.4
Secondary	16	15.0
Tertiary	5	4.7
Total	107	100.0

Source: research findings, 2022

The findings presented in Table 1 show that 80.4 percent of the respondents attained primary-level education, while 4.7 percent attained tertiary-level education. Thus, the majority of women with disabilities in this study attained primary education. It is implicit from the above results that the majority of respondents are able to read and write, therefore they have the capacity to make the right decisions about loans and investments.

These findings are also supported by the ILO (2013), which argues that women with disabilities are part of society and are vulnerable in such a way that they are undereducated, untrained, and often unemployed or underemployed and are mostly poor.

3.1.2 Respondents' marital status

In order to enable respondents to have an opportunity to define their marital status, this study classifies the marital status into four categories: single (those who never married), married, divorced (those who experienced breakups), separated (those who are temporarily at a distance from their spouse due to marital problems), and widow (their spouse died).

Table 2: Respondents' marital status

Marital status	Frequency	Percent
Single	51	47.7
Married	30	28.0
Divorced	1	0.9
Separated	18	16.8
Widow	7	6.5
Total	107	100.0

Source: research findings, 2022

From Table 2, it was indicated that women with disabilities in this study were found to be single by 47.7%, while widows were only 0.9%. Therefore, the majority of the respondents in this study are single when it comes to marital status, which implies that they are at higher social and economic risk.

3.1.3 Nature of the source of income of the respondents

The study employed women with disabilities who benefited from LGA loans, but they are engaged in income-generating activities such as food vendors, vegetable vendors, hairdressers, kiosks, poultry keeping, handwork, and tailoring. This is because the LGA loan emphasizes that beneficiaries invest the funds in income-generating activities so they can make a profit and improve their living standards.

Table 3: Income activity of the respondent

Income activities	Frequency	Percent
Food vendor	3	2.8
Vegetable vendor	3	2.8
Hair dressing	2	1.9
Kiosk	29	27.1
Poultry keeping	6	5.6
Hand work	54	50.5
Tailoring	10	9.3
Total	107	100.0

Source: research findings, 2022

With reference to Table 3, it shows that 50.5% of the respondents their sources of income depend on the nature of the activities, while 1.9% engage in hairdressing activities. Thus, the majority of the respondents in this study are engaged in handwork activities, which implies that they have working experience in business activities.

This finding is in line with what was reported by Kallio (2019), who reported that most of the people with disabilities targeted by the project in Sierra Leone were found to be engaged in selling daily consumer goods, food stuff or refreshments, manufacturing and selling handcrafts, or livestock farming.

3.2 The improvement of LGA loan to the well-being of women with disabilities

3.2.1 LGA Loan in Improving the Well-being of Respondents

The respondents in this study were also given the opportunity to give their perceptions on the performance of the LGA loan. Table 4 below indicates the findings based on the data collected from the field.

Table 4: LGA loan in improving well-being

Loan contribution on their well-being	Frequency	Percent
Good	70	65.4
Bad	37	34.6
Total	107	100.0

Source: research findings, 2022

The findings presented in Table 4 show that 65.4 percent of the respondents acknowledge that loan accessibility has an impact on their well-being, while 34.6 percent deny that loan accessibility does not have a contribution to improving their well-being. Therefore, the majority of the respondents, namely women with disabilities, acknowledge that LGA loan accessibility has contributed to improving their well-being.

The findings are comparable with those observed by Owusu (2021) from the structural model analysis using the bootstrapping procedure, who found that financial knowledge, financial attitude, and sound financial management behavior have important implications for the financial satisfaction levels of individuals. Further, the author finds financial satisfaction to be an important predictor of the psychological wellbeing of individuals.

The findings of the Tairo (2013) study revealed that there has been a positive outcome for women development fund (WDF) beneficiaries as a result of borrowing a WDF loan, as evidenced by the increase in income of WDF beneficiaries by 60%, their ability to send children to school, buy household assets, improve family diets, pay medical charges, make savings, and increase self-confidence.

3.2.2 Income before and after accessing LGA loan services

In the process of data collection, the researcher presents an open question in this category in order to give a respondent a wide chance to give the information since the respondent was needed to give the exact figure on the income of her business per day. So different respondents give different values

based on the nature of their income per day. Income for women with disabilities was one of the variables measured in order to establish the changes in their income before financial intervention.

Table 5: Income of the respondents before and after intervention

Variables	Income before	Income after
Number of respondents	107	107
Minimum (TZS)	0	5000
Maximum (TZS)	80000	95000
Mean (TZS)	38635.51	51130.84
Std. Deviation (TZS)	17867.116	19382.001

Source: research findings, 2022

The findings are supported by Johannsmeier (2007) in his study using qualitative and participatory methods, which involved people with physical, visual, and hearing disabilities who are Disability Grant (DG) recipients in eight urban and rural areas of KwaZulu Natal Province. He employed qualitative and participatory methods and argued that DG recipients their income improved after intervention, which helped them to meet basic needs, especially food and clothing, as well as pay school expenses for children and other life-related costs such as electrical bills, housing, and medical expenses.

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Gembe (2012) on his study also revealed that, when compared to the time before credit was made available, those who have access to the women's development fund report that their income level has increased in some way.

3.2.3 Handling of Health Problems before and after Accessing Loan

Handling of health problems was one of the elements used to determine how women with disabilities dealt with health problems before and after accessing LGA loans in Arusha City Council.

Table 6: Handling health alternatives

Handling alternatives	Before	After
Consult professional health services providers	0.4%	70.3%
Consult traditional health practitioners	10.1%	2.0%
Buy medicines from pharmacies	2.1%	24.3%
Use personal awareness on traditional medicines	7.6%	3.4%
Seek medical service exemptions	40.3%	10.5%
Seek support from outside	39.5%	30.5%

Source: research findings, 2022

Table 6 shows the different alternatives the respondents employ when dealing with health problems. Consulting professional health providers shows an improvement from 0.4% to 70.3%, while personal awareness of traditional medicines shows a decreasing rate from 7.6% to 3.4%. Therefore, women with disabilities, after accessing LGA loans from Arusha City Council, consult professional health service providers rather than use their personal awareness.

The results reflect the findings of the Tesfaye et al. (2021) report, who found that almost 99.5% of the respondents from the total of 345 respondents visited public hospitals and health centers regularly three times more than those without since their health costs were covered by community health insurance and NGOs.

3.2.4 The Impact of the Loan on Knowledge Aspect

This study views the effects of various interventions brought to loan beneficiaries during the loan processing. Now, Table 11 below presents the findings from the field.

Table 11: Awareness improvement

Area of improvement	Before	After
Financial knowledge (credits and savings)	25.9%	35.2%
Entrepreneurship knowledge	39.8%	42.4%
Marketing knowledge	8.3%	11.5%
Reproductive health knowledge	1.0%	1.0%
Rights of people with disabilities	3.8%	0.8%
Awareness on business opportunities	11.7%	17.9%

Source: research findings, 2022

Study findings from Table 11 show that there is an increase in the number of respondents who confessed there is an improvement in entrepreneurship knowledge (39.8%–42.4%) and a decreasing rate of awareness for the rights of people with disabilities. Therefore, this implies that the majority of women with disabilities who accessed LGA loans in Arusha City Council have improved their entrepreneurial knowledge.

The results of the research findings above are in line with what was observed by the Mehta *et al.* (2022) report, which found that access to financial services for women has a direct influence on finance and entrepreneurship knowledge and development. This finding revealed that women's entrepreneurship development is significantly influenced by access to finance, level of knowledge, and leadership practices in the operation. This implies that through lending facilities, women-owned SMEs ensure their growth.

However, the qualitative information on the improvement of the well-being of women with disabilities after accessing LGA loans in Arusha City Council was as follows:

The first interviewee response was;

"Most of the women with disabilities who applied for loans had a very difficult situation on income, but after intervention, they improved in health and education aspects" RP₁.

While the next interviewee responded that;

"Women with disabilities had a very bad situation before accessing LGA loans, but after, they experienced a better situation based on their income status, which helped them to afford daily life costs and improve their income-generating activities" RP₂.

This finding agrees with Swalehe (2019) who argued that, financial intervention including loans to women such as those with disabilities, helps them to own assets, support education of their children, improve their meals taken by their families, access to health services and enhances them to make rational decisions.

4.0 Conclusion and Recommendations

4.1. Conclusion

After accessing LGA loans, women with disabilities experience a noticeable improvement in their income compared to other aspects, namely health and education. Women with disabilities, when their income improves, gain the capacity to expand their business capital, while others obtain capital and start new businesses. Not only that, after acquiring LGA loans, women with disabilities were able to own valuable assets like furniture and land, as well as take care of their family members, including their children.

4.2 Recommendations

4.2.1 To Local government authorities

Since local government authorities in the nation are the ones offering LGA loans, they must take into account providing intense and ongoing training as well as carefully screening their intended beneficiaries, including women with disabilities, both before and after the loans are disbursed. Since that LGA

loans are directly linked to yearly earnings that are gathered from their own sources, the program's performance will only be sustained and meaningful if all parties involved fulfill their responsibilities. As a result, the overall performance of any particular council in the annual audit reports may be impacted by the LGA loan performance.

4.2.2 To women with disabilities

Women with disabilities are one of the key players in the performance of the LGA loans since they are the primary targeted beneficiaries, like other categories of beneficiaries. Since women with disabilities are required to formulate and acquire loans in the form of groups, they are supposed to be very careful with their characters, which could hinder their performance in terms of loan repayments and even the contribution of loans to their businesses and families.

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