

**Factors Influencing Loan Repayment on SACCOS Performance in Tanzania**

**The of Selected SACCOS in Kilimanjaro Region**

**By**

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**Abstract**

The main objective of this study was to examine the extent to which SACCOS have been able to determine factors influencing their members on loan repayment performance in Tanzania. A multiple case study was opted for the study such as Okoa, CHAWAKUKO, Same-Kaya, Mashati, Ushiri and ELCT-ND SACCOS, all in Kilimanjaro region. Various methods were used for data collection such as interviews, questionnaires and document reviews. The overall findings revealed that, loan diversion and multiple borrowing from different institutions were the most significant factors influencing negative loan repayment performance. It also indicated that, the use of valid salary slips from employed members and the saving capacity of members evidenced to improve the loan repayment performance. Based on the findings, it is recommended that members and SACCOS officials should be trained in order to build their capacity and entrepreneurial skills so as to invest in productive activities and enhance loan repayment performance. The suitability of loan repayment period should be improved so as to minimize the loan delinquency problem and enhance profitability and sustainability of SACCOS.