

The Impacts of Microfinance Activities in Developing Human Capital for Sustainable Livelihood in Duc Trong District, Lam Dong Province, Vietnam

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Abstract: The purpose of this paper is to present how microfinance activities (MF) implemented via village savings & loan associations (VSLAs) can affect the human capital for sustainable livelihood (SL). To this end, we will discuss the practical social impacts to the beneficiaries of social security policies and propose solutions to promote the activities of VSLAs, improve the members' capacity, develop human capital and sustainably develop community. The study used mixed methods with a survey and in-depth interviews. A survey was conducted with 356 VSLA members participating in different VSLAs under the management of social and political organizations in 04 ethnic minority communes of Duc Trong district. Besides the survey, the study also conducts qualitative research by in-depth interviewing stakeholders. The results showed the effectiveness in the social aspect of VBSP's loan program with the VSLA model. The development of human capital manifested through improving members' common knowledge, business experience, and skills such as problem-solving and the increase in their willingness to support others. Among them, the most drastic changes are the growth in members' business experience and mutual support. By building capacity, self-confidence, and voluntary spirit during group activities, members can acquire skills and knowledge to develop sustainable community development.

Keywords: Human Capital, Community Development, Microfinance, Village Savings & Loan Associations, Social and Political Organizations

1. Introduction

Microfinance is a type of credit for the poor, granting them small loans to help them engage in production activities or start small businesses [12]. The first and foremost goal of microfinance is to expand the access to financial services of vulnerable groups such as the poor and ethnic minorities; creating employment opportunities through the expansion of small businesses while increasing their work efficiency as well as income (especially women and the poor) [4, 15, 8, 6, 2]. It also reduces the dependency ratio in rural households, diversifies income-generating activities, and improves people's life quality towards sustainable development [1, 3, 8, 10].

Microfinance in this article refers to loans of the

Vietnam Bank for Social Policies (VBSP - the largest and most typical official microfinance service provider nowadays). These loans have been entrusted to social and political organizations such as Women's Union (WU), Farmers' Union (FU), Youth Union (YU), Veterans Association (VA) by adopting the VSLA model in Duc Trong district, Lam Dong province (this is a province with relatively developed microfinance activities). VSLAs are the groups established by social and political organizations or voluntary community members within the administrative area of the commune and approved in writing by the commune people's committee.

There are many definitions of human capital. According to

DFID [5], "Human capital encompasses the abilities, experience, work skills, and the good health that, when combined, allow populations to engage with different livelihood strategies and reach their objectives. Human capital is a factor at the household level, which determines the quantity and quality of the available workforce... Human capital is needed in order to leverage all other forms of capital." [11]. Human capital is the resource center for community wealth. It includes access to a stockpile of skills, talents, passions, energy, and health among community members, as well as members' willingness to contribute their competencies [7, 13].

According to DFID (2001), sustainable livelihood includes 05 types of capital: (1) human capital; (2) physical capital; (3) natural capital; (4) financial capital; (5) social capital [9, 11]. This article focuses on human capital, showing that the impact of microfinance activities on the development of human capital, which is reflected in the increase through the improvement on VSLA members' common knowledge, business experience, and skills such as problem-solving... as well as the increase in their willingness to support others.

The research method used in this study is sociological. The research method used in this study is sociological surveying with a sample of 356 VSLA members. They are participating in different VSLAs under the management of social and political organizations (FU, WU, YU, VA) and are entrusted by the VBSP of Duc Trong district. The questionnaire is designed for VSLA members who have participated in the loan program in 04 communes representing 04 economic sub-regions in Duc Trong district, Lam Dong province (Lien Hiep; Ninh Gia; Binh Thanh and Ta Hine). There are ethnic minorities in all selected communes, in which Ta Hine commune has the highest proportion of ethnic minorities (accounted for 98% of the population). Additionally, the study also conducted

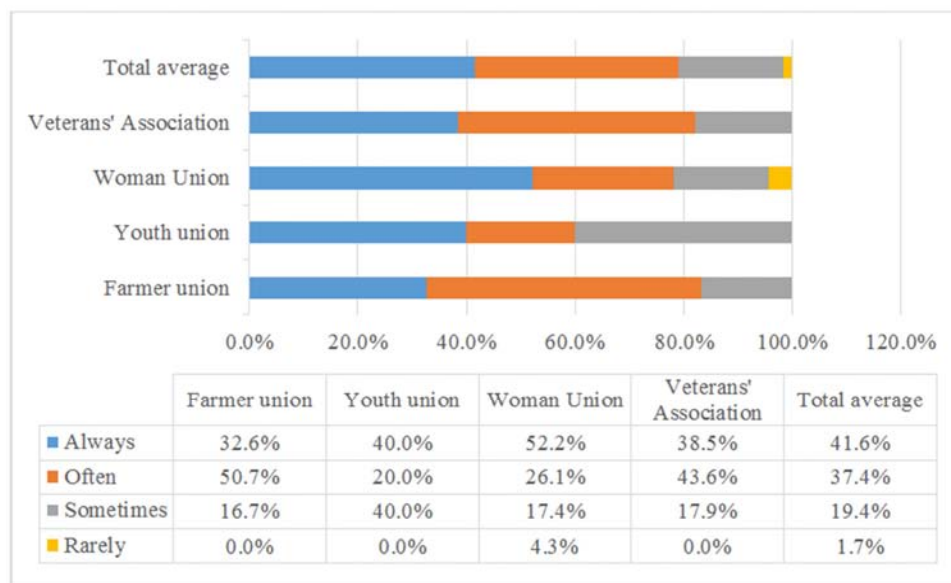
qualitative research by in-depth interviewing stakeholders.

2. Study Results

2.1. The Impact of Microfinance Activities on Increasing Knowledge Through Information Exchanging and Sharing in Group Meetings

2.1.1. The Frequency of Information Exchanging and Sharing in VSLAs' Meetings

At VSLAs' meetings, there are many other activities besides managing loans for members. One of which is the sharing of business experiences as well as other daily-life tips between members. In Figure 1, a large proportion of respondents said that members of their group are always (41.6%) and often (37.4%) were willing to share. On the contrary, only 19.4% thought their group only shared information sometimes, and 1.7% stated that the group rarely shared anything. This proved that VSLA members, in addition to regular loan activities, are also interested in sharing and exchanging knowledge and business experience. On the topic of information exchanging and sharing at VSLAs' meetings, a male member (55 years old, participated in a VSLA under FU) shared: "Since joining the VSLA, we often share (experience). For example, if a household can raise swains with a good growth rate, they will share their experiences on barn and food management with those who have failed. Alternatively, once there was a trend of integrated cultivating the new type coffee with some members could collect five quintals products on 500m² field which normally was only two quintals, these members would share their source of seeds, caring techniques and workforce. Moreover, members share any good things they have with each other, unlike before joining the VSLA when people rarely met each other due to the wide-scale of social and political organizations thus could not share their knowledge to many people".



Source: Survey results, 2020.

Figure 1. The frequency of VSLA members' knowledge and business experience sharing (N=356).

When analyzing members according to the social and political organizations managing their group, Figure 1 showed that WU has the highest percentage of members who constantly share their knowledge and experiences (accounted for 52.2%); while this rate in FU is the lowest (accounted for 32.6%). In addition, the results also pointed out the differences as WU is the one with members who stated that their group members rarely share anything (accounted for 4.3%). This reflected the opposite results when most of the WU's VSLAs think their group is always willing to share. In general, these sharing and exchanging are regularly conducted in group meetings.

2.1.2. How the Exchanging and Sharing Met with VSLA Members' Expectations

Besides accessing capital, non-financial activities such as exchanging and sharing practical information on daily needs also play an important role for the VSLA members. The study results showed that 33.1% of respondents were greatly satisfied with the information they received; 52.2% confirmed the information

matched their expectations. Meanwhile, though they have not gained anything from these activities, the percentage of members is relatively low (0.8%). From there, we can see the VSLA's exchanging and sharing activities provided rather essential knowledge for the members to achieve their needs. A member shared: *"Through VSLA, I got to know Mr P, and now we are very close friends. Mr P has helped me a lot in business and I have also learned many things from his business experience. For example, last year, while my coffee tree was blooming but also infested by fungus, I can recognize the symptom yet could not figure out what kind of fungus it was, what is the cause of it, how can I treat it or what kind of drugs to use and where to buy them. I recalled that Mr P once had a discussion in the group about this problem, so I invited him to my house and help analyze the current state of the flowers. He advised me the cause, where to buy and prepare the medicine to spray on the trees. He also gives very detailed instructions such as how much medicines should be used, how to mix it and when to spray them."* (Male, 39 years old, participated in a VSLA under FU).

Table 1. Percentage of VSLA members' fulfillment of expectation with exchanging and sharing activities (N=356).

Social and political organizations		VSLA members' fulfillment of expectation with exchanging and sharing activities				Total
		Exceeded Expectaion	Matched Expectation	Mildly met Expectation	Less than Expectaion	
Farmers' Union	N	48	72	24	0	144
	%	33.3%	50.0%	16.7%	0.0%	100.0%
Youth Union	N	12	19	4	0	35
	%	34.3%	54.3%	11.4%	0.0%	100.0%
Women's Union	N	53	66	16	3	138
	%	38.4%	47.8%	11.6%	2.2%	100.0%
Veterans Association	N	5	29	5	0	39
	%	12.8%	74.4%	12.8%	0.0%	100.0%
Total Average	N	118	186	49	3	356
	%	33.1%	52.2%	13.8%	.8%	100.0%

Source: Survey results, 2020.

Table 1 presented the total percentage of members thinks knowledge and experience sharing is exceeded and matched their expectation between organizations are similar (83.3% in FU, 86.2% in WU, 87.2% in VA, 88.6% in YU). WU has the highest rate (38.4%) of members who felt the activities have exceeded their expectations, while this rate in VA was the lowest (12.8%). On the other hand, WU also the only one of the four organizations has members stated that the activities are less than expectaion (2.2%). Table 1 presented the total percentage of members thinks knowledge and experience sharing is exceeded and matched their expectation between organizations are similar (83.3% in FU, 86.2% in WU, 87.2% in VA, 88.6% in YU). WU has the highest rate (38.4%) of members who felt the activities have exceeded their expectations; while this rate in VA was the lowest (12.8%). On the other hand, WU is also the only one of the four organizations that have members who stated that the activities are less than expected (2.2%).

2.1.3. Benefits from VSLA's Exchanging and Sharing Activities

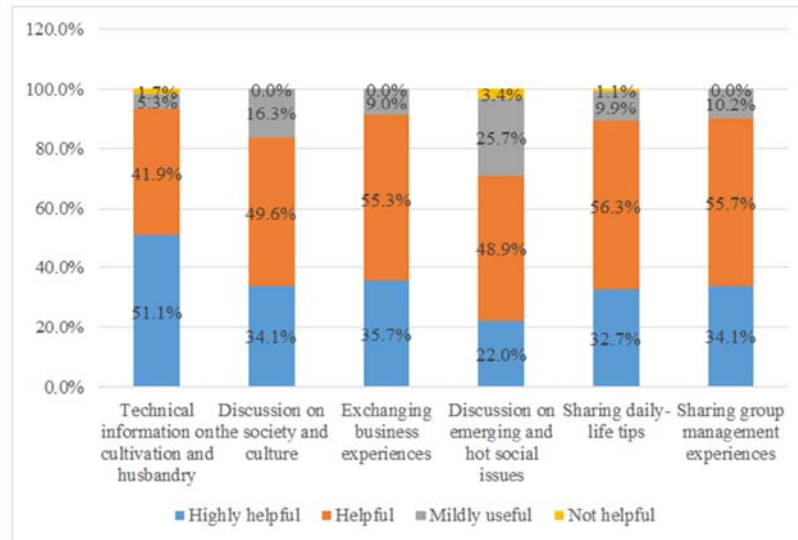
In Figure 2, the total percentage of members who thought that

exchanging and sharing activities was highly helpful and helpful for themselves and their families was relatively high (93% for topics related to technical information on cultivation and husbandry; 83.7% for topics related the society and culture; 91% for business experiences; 70.9% for emerging and hot social issues; 89% for daily-life tips; and 89.8% for topics on managing and organizing group's activities). Among those who stated the activities as "highly helpful", topics related to technical information on cultivation and husbandry had the highest choice rate (51.1%); meanwhile, the lowest choice rate belonged to topics about current emerging and hot social (accounted for only 22%). There were also differences in the number of members who think the activities were not helpful. In particular, 1.7% of them felt that technical information on cultivation and husbandry was not helpful; 3.4% rated the same for the emerging and hot social issues; and 1.1% for topics on daily-life tips.

Figure 2 showed that a large proportion of members recognized that the exchanging and sharing activities are highly helpful and helpful for themselves and their families. It proved that the activities provided various significant benefits to the members. These non-financial activities need to be encouraged to promote the diversity and quality of

VSLA activities. A male member, 31 years old, who participated in a VSLA under YU shared: "Currently in our commune, there are many severe traffic accidents. Also, through TV, we know that there are many terrible traffic accidents throughout our country. Therefore, we often discuss

this issue in the VSLA meetings. Because my group is full of young people in the commune, accidents from drunk driving would happen from time to time. Therefore, these sharing sessions can help change the thinking and behaviour of young people when driving.



Source: Survey results, 2020.

Figure 2. Helpfulness level of VSLA's exchanging and sharing activities (N=356).

2.2. The Impacts of Microfinance Activities on Increasing VSLA Members' Business Experiences

2.2.1. Business Experience Sharing in VSLAs' Meetings

Having capital is crucial for developing the household's livelihood and economy. Therefore, experience in investing and choosing suitable livelihood is necessary for the people in general and VSLA members in particular. Especially, life experience and business experience is drawn from many successes and failures of the people in the community, which are valuable resources to the VSLA members. Figure 3 showed how different experiences were shared between members in group meetings. Specifically, choosing suitable cultivation and husbandry models accounted for the highest proportion (accounted for 94.6%), followed by the treatments

for crops and livestock diseases (accounted for 61.4%).

Meanwhile, the lesser discussed topic is how to sell products at a good price (accounted for only 27.8%). Experiences related to cultivation and husbandry are shared the most by VSLA members. As in a testimony: "We shared each other's business experience such as where to buy fertilizer; how to distinguish real fertilizer from a fake one. In addition, we discuss the fluctuation of products' price, the current market, and where to sell products at a good price. We also share the places to buy coffee or passion fruit seeds with good quality and reasonable price; how to protect silkworms from diseases; how to choose qualified breeding stocks. In general, there are a lot of topics that we can share as long as they interested us." (Female, 45 years old, participated in a VSLA and WU).

Table 2. Percentage of different topics related to business experiences shared among VSLA members (N=352).

Social and political organizations		Topics related to business experiences					Total
		Cultivation and husbandry models	Treat-ments for agricul-tural diseases	Process-ing and preserv-ing products after harvest	Searching and accessing output markets for products	Selling the products	
Farmers' Union	N	141	91	43	63	48	144
	%	97.9%	63.2%	29.9%	43.8%	33.3%	
Youth Union	N	29	23	11	3	4	31
	%	93.5%	74.2%	35.5%	9.7%	12.9%	
Women's Union	N	125	75	32	47	39	138
	%	90.6%	54.3%	23.2%	34.1%	28.3%	
Veterans Association	N	38	27	14	14	7	39
	%	97.4%	69.2%	35.9%	35.9%	17.9%	
Total Average	N	333	216	100	127	98	352
	%	94.6%	61.4%	28.4%	36.1%	27.8%	100.0%

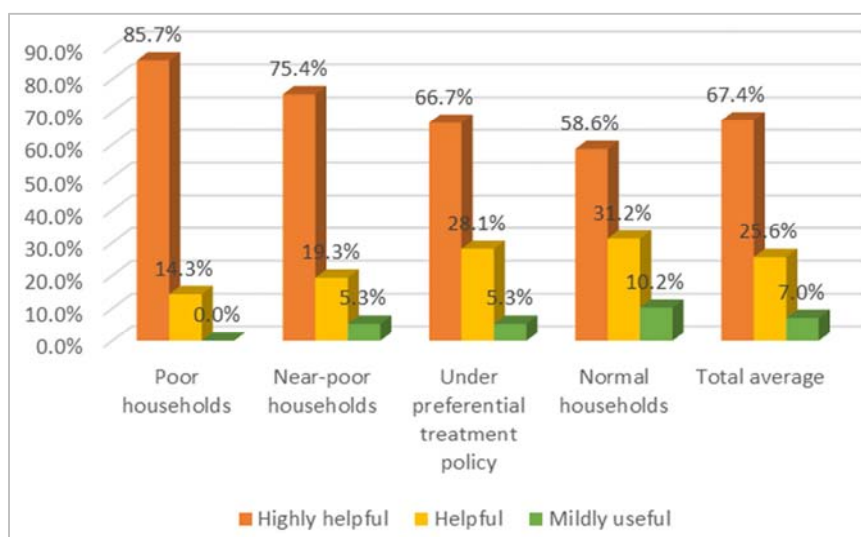
Source: Survey results, 2020.

In terms of different social and political organizations, Table 2 showed that selecting cultivation and husbandry models took up the largest proportion among the topics that VSLA members often discussed with each other (97.9% in FU, 93.5% in YU, 90.6% in WU and 97.4% in VA); then comes topics related to treatments for agricultural diseases (63.2% in FU, 74.2% in YU, 54.3% in WU and 69.2% in VA). Meanwhile, topics with the lowest discussion rate were how to sell products at good prices (33.3% in FU, 12.9% in YU, 8.3% in WU and 17.9% in VA). Especially, YU had the lowest percentage of members who think their groups would share business experiences (9.7% on searching and accessing output markets for products, 12.9% on selling products at good prices). This result pointed out that the topics' highest sharing rate in VSLAs' meetings are usually those directly related to members' daily lives as cultivation and husbandry are their main livelihoods. These topics also matched their

interests and needs for developing the household economy.

2.2.2. The Benefits from Sharing Business Experience Between VSLA Members

Among the respondents, those who have their livelihood related to agriculture accounted for 78.6% (cultivation took up to 69.9% and husbandry took 8.7%). Therefore, the topics that group members often brought out to discuss are directly related to agriculture. This showed the necessity and importance of this sharing for the members. For instance, a large number of members confirmed that sharing is greatly helpful for themselves and their family accounted for 67.4% and those who thought that it is helpful are around 25.6%. On the contrary, members who rated "mildly helpful" are only 7% and no members felt the activities were not helpful in any way.



Source: Survey results, 2020.

Figure 3. Helpfulness level of sharing activity for VSLA members (N=356).

When cross-analyzed with different household types, a high percentage of VSLA members who come from poor and near-poor households felt that the sharing is beneficial (85.7% and 75.4%, respectively). Meanwhile, the number of members from households under preferential treatment policy rated the activity as "highly helpful" were 66.7% and dropped to 58.0% for those from average households. In addition, 100% of members in poor households thought the sharing was beneficial; and the rate was only 89.8% for members of average households. Thus, it proved that members from poor and near-poor households greatly need business experiences to develop their household economy, escape poverty, and improve their life quality.

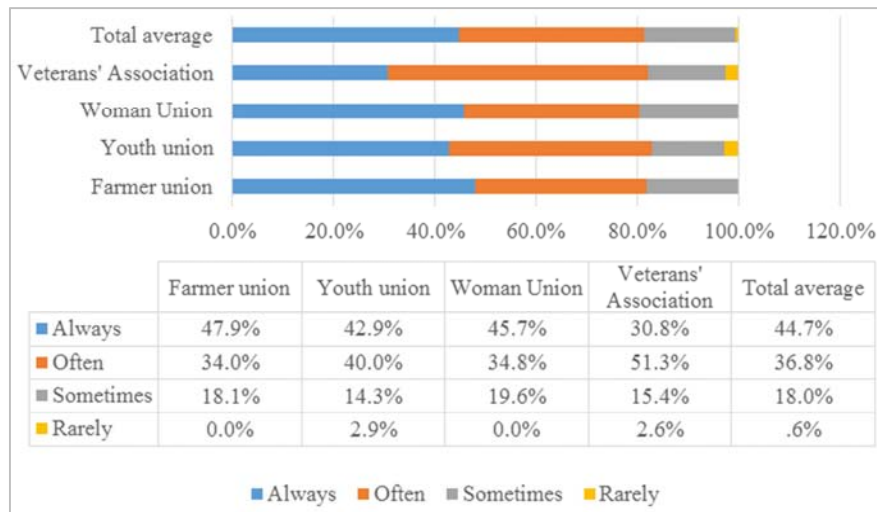
2.3. Impact of Microfinance Activities on Increasing the Mutual Supports Between VSLA Members

2.3.1. The Mutual Supports Between VSLA Members

Helping each other in daily chores is normal for people in

rural areas, and is even more clearly shown between VSLA members due to the closeness and cohesion environment within the group. After surveying the VSLA members, 44.7% thought that group members always support each other, 36.8% rated for "often" and 18% answered that mutual supports happen sometimes. Members who believed members of their group rarely help each other only accounted for only a small percentage of 0.6%. As mentioned in a testimony: *"In a time of difficulties, the supports from fellow VSLA members are essential. They came to encourage, share and sympathize with her situation. If it was financial-related, other group members were willing to make donations to help her. Though they were not my relatives; but they were willing to share, encourage and help me when in need. This has given me the confidence and motivation to overcome difficulties. Different from joining the WU where supports and care only came in severe cases, other VSLA members would come to visit right away if I could not go to work. We were very close like sisters."* (Female, 47

years old, member of VSLA and WU).



Source: Survey results, 2020.

Figure 4. The level of mutual support among VSLA members (N=356).

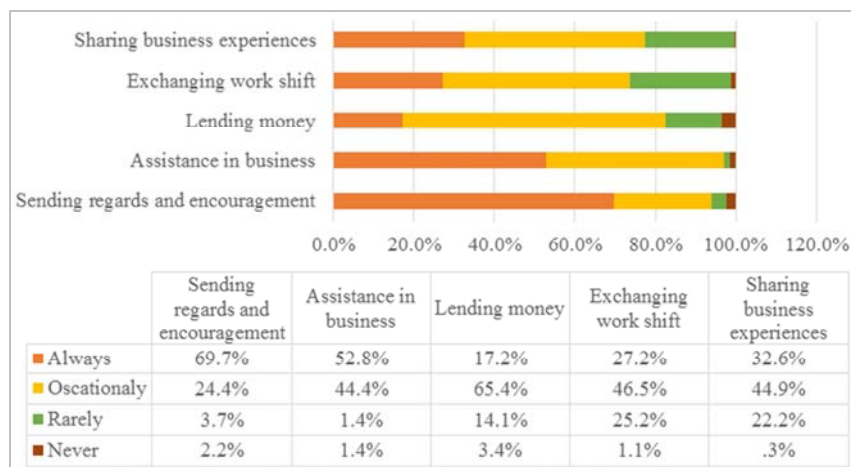
Comparing between social and political organizations, Figure 4 demonstrated that FU and WU are two organizations with the highest percentage of VSLA members said their group always helped each other both in daily life and at work (47.9% and 45.7% respectively); and VA had the lowest rate (30.8%). Meanwhile, only VA and YU have VSLA members who believe their group rarely help each other (2.6% and 2.9% respectively). By joining the VSLA, members in one group can interact, discuss, share and work together. Which has created closeness and intimacy among them; thus, the mutual support between members in times of difficulties or need arose.

2.3.2. Different Forms and Frequency of Mutual Supports Between VSLA Members in Daily Life and at Work

Even though supporting and helping each other in daily life is a common thing between people in the community. But when considering it on a smaller scale of a VSLA where members have a close and intimate relationship as well as can interact and

work together regularly, the mutual helping between them can be considered as their supportive spirit. The study result presented different forms of support between VSLA members such as: sending regards and encouragement in time of difficulties; assistance in business; lending money; exchanging work shifts; sharing experiences and tips in business.

From Figure 5, we can see that most members would send out regards and encouragement to support each other in time of difficulties (accounted for 69.7%); followed by assistance in business (accounted for 52.8%). Meanwhile, the form with the lowest applied rate is lending money (accounted for only 17.2%); then exchanging work shifts and sharing experiences and business tips with 27.2% and 32.6%, respectively. In addition, lending money has the highest percentage of members believed it would never be offered (accounted for 3.4%), while the lowest one is sharing experiences and tips in business (only 0.3%).



Source: Survey results, 2020.

Figure 5. The frequency of different support forms between VSLA members (N=356).

As can be seen, VSLA members would support each other in various forms but focus on practical activities directly related to their daily life. Compared with the supports from social and political organizations, those from VSLAs are contributed mostly to its members. In times of crisis or drastic changes, the regard and encouragement of fellow group members can greatly help one overcome difficulties. *"Two years ago, my mother passed away and I was very sad. I could not eat all day and did not want to do anything. Therefore, sisters in the VSLA came to visit and encourage me. Even during the ever-busy and tiring coffee harvest season, they still took advantage of the little free time in the evening to visit and comfort my family so that they could cheer up. If they have not visited, my family members would each just sit in a corner or walk around without talking to anyone. This affection has been shown since I joined the VSLA; unlike before, the sisters visited but did not show such closeness."* (Female, 42 years old, member of VSLA and WU).

From the above results, the ways VSLA members often used to support each other are mostly those that express the supportive spirit, affection and cohesion (regards, encouragement...). The other forms of low frequency support are mostly those related to material factors, helping in business (lending money; exchanging work shift; sharing business experiences). Therefore, many VSLA currently is taking many measures to promote practical non-financial activities related to daily life to meet members' needs besides developing the financial

status of members' households.

2.4. The impact of Microfinance Activities on VSLA Members' Skill Development and Problem-Solving

2.4.1. Changes in VSLA Members' Skills Development

The members have shown development in skills since joining the VSLA, such as listening, note-taking, exchanging and sharing business experiences; business planning; information searching, work managing; group operation managing; public speaking; presentation, problem-solving. Table 3 showed that 39.6% of respondents confirmed that they have greatly developed various skills since they joined the VSLA; 45.5% of the members stated that their skills have developed. Meanwhile, a tiny proportion (0.3%) of them felt they have not developed any skills since being a member of VSLA; other members (14.6%) said that their skills have mildly developed. As we can see, the number of members who confirmed their skills have "greatly developed" and "developed" since joining the VSLA are 5.7 times higher than those who had their skills only mildly developed and unchanged (85.1% to 14.9%). The development in skills is also mentioned in the sharing of a female respondent (58 years old, participated in a VSLA under WU): *"There were only a few chances for learning before joining the VSLA. But after that, I had to interact, find solutions and work with others; thus developing the skill of presentation, communication and problem-solving. I also learned from many experiences to handle problems in the group from other members."*

Table 3. The level of VSLA members' skill development in different social and political organizations (N=356).

Social and political organizations		The level of VSLA members' skill development				Total
		Greatly developed	Developed	Mildly developed	Unchanged	
Farmers' Union	N	51	67	26	0	144
	%	35.4%	46.5%	18.1%	0.0%	100.0%
Youth Union	N	10	21	4	0	35
	%	28.6%	60.0%	11.4%	0.0%	100.0%
Women's Union	N	73	47	18	0	138
	%	52.9%	34.1%	13.0%	0.0%	100.0%
Veterans Association	N	7	27	4	1	39
	%	17.9%	69.2%	10.3%	2.6%	100.0%
Total Average	N	141	162	52	1	356
	%	39.6%	45.5%	14.6%	.3%	100.0%

Source: Survey results, 2020.

Table 3 described the difference in members' skill development between VSLAs managed by different social and political organizations. Specifically, those managed by WU has the highest number of members confirmed that their skills have greatly developed (52.9%), followed by FU (35.4%). This rate was lowest for VA (accounted for 17.9%), but VA had the highest number of members (69.2%) who rated their skills as "developed" and was the only one have members who believed their skills have not changed at all (accounted for 2.6%). Thus, we can see that by joining the VSLA, members can participate in various activities with diverse and practical topics that can meet their daily needs. Through these activities, they can develop skills and build

confidence in daily life as well as in business.

2.4.2. Member's Capacity Development by Participation in Solving Community'S Issues

Table 4 showed that 348/356 (97.8%) of the VSLA members participated in solving the community's issues. There are many emerging and hot social issues in the community that they helped to find solutions to; which demonstrated the spirit and responsibility of each member to the community. Among these issues, environmental pollution has the highest percentage of members joint in solving (77.3%), followed by public order offence and larceny (74.4%). These were the two issues that had more members

participated in solving than others such as domestic violence (53.7%); gender inequality (52.3%); sex education (47.4%);

children's school dropouts (39.1%); and elder abuse (34.8%) which had the lowest participation rate.

Table 4. Percentage of VSLA members' participation in solving community issues (N=348).

Social and political organizations		Issues that VSLA members participated in solving							Total
		Domestic violence	Gender inequality	Environmental pollution	Sex education	School drop-outs	Public order offence & larceny	Elder abuse	
Farmers' Union	N	59	66	109	62	53	109	42	136
	%	43.4%	48.5%	80.1%	45.6%	39.0%	80.1%	30.9%	
Youth Union	N	17	21	21	12	12	16	7	35
	%	48.6%	60.0%	60.0%	34.3%	34.3%	45.7%	20.0%	
Women's Union	N	96	79	108	76	52	103	56	138
	%	69.6%	57.2%	78.3%	55.1%	37.7%	74.6%	40.6%	
Veterans Association	N	15	16	31	15	19	32	16	39
	%	38.5%	41.0%	79.5%	38.5%	48.7%	82.1%	41.0%	
Total Average	N	187	182	269	165	136	260	121	348
	%	53.7%	52.3%	77.3%	47.4%	39.1%	74.7%	34.8%	100.0%

Source: Survey results, 2020.

There was a difference in the number of members who participated in community issues by the social and political organizations that managed the VSLAs. For FU, the highest proportion was 80.1% on both environmental pollution and public order offence, larceny. For YU, it is gender inequality and environmental pollution (both accounted for 60%). This rate on WU and VA is for environmental pollution (78.3% and 79.5% respectively) and public order offence, larceny (74.6% and 82.1% respectively). In addition, VSLA members' efforts and fierceness when participating in solving community issues have reflected their wish for improving their community as well as limiting the bad influence spread to people around them. *"The house next to us used to throw garbages on the street. They said they cannot afford to pay for disposal service, but their situation was not that difficult. Still, I told them to bring garbages to our house; so that, the garbage man would come and collect them. It is better than leaving it on the street where the wild animals would scatter the garbages everywhere and pollute the environment. Each month, they only needed to give us 1,000VND-2,000VND as a contribution which was not much compared to the bad effects on our health. They changed gradually, and in the end, they have decided to pay for the disposal service by themselves instead of bringing the garbages to my house. Before joining the VSLA, I faced similar situations from time to time; however, I wasn't able to effectively resolve the problem."* (Female, 42 years old, member of VSLA and WU). The above proved that, by joining the VSLAs, members have actively participated in community activities; especially actively participated in solving local issues that occurred in the community which was affecting its residents. With this active participation, changes have been made in the community.

3. Recommendations

From microfinance's initial and ongoing goal to expand the community's access to financial capital, the study presented the other social impact on human capital development for sustainable livelihoods through enhancement of knowledge

and business experience; mutual supports; skills development and problem-solving capacity the VSLA members. This finding has a significant meaning, showing the social impacts on subjects under preferential treatment policy. This is the most important thing that the article has clarified to emphasize the important role of voluntary groups/groups in the community towards sustainable community development through creating opportunities, empowering, increasing capacity during participation for beneficiaries. This can be seen that the lending model under the savings and loan groups of VBSP in Duc Trong district, besides bringing economic efficiency (people have loans), social efficiency is very important in improving productivity, resources, building confidence and voluntary spirit for people in the process of participation, towards community development in a sustainable way.

Based on the above research results, we propose the following contents:

To begin, VBSP and social and political organizations need to focus on improving the operational efficiency of VSLAs such as strengthening inspection and supervision of capital usage; guiding and supporting people during their loan period; increasing training and seminars; promoting meetings and sharing business experiences; encouraging the formation of mutual assistance and support activities in the group; enhancing organizing and managing capacity; creating sharing sessions on organizing and managing experience among groups; rewarding and motivating effective groups and typical members [14].

The second is VBSP can cooperate with social and political organizations to conduct activities that focus on improving knowledge and business experience for their members, strengthening non-financial activities and improving the quality of VSLA's activities such as diversity in activities' topics and contents; development of activity plans according to these topics; assigning responsibility; focusing on topics that would align with people's needs and reality, and promoting opportunities for members to work together and support each other.

In addition, it is important to create a favorable

environment for members to develop skills and capacity during their participation in VSLA's activities such as encouraging members to actively participate, sharing their business as well as daily experiences; promoting community-oriented activities of the groups; creating opportunities for members to cooperate and connect; encouraging members' participation in solving community's social problems, and frequently exchanging organizing and managing experiences.

4. Conclusion

The research results can confirm the social aspect of VBSP's loan program with the VSLA model. Within which, highlighted the power of empowering in-charged officers. They now can promote collective strength, assign tasks and appoint responsibility, and enhance members' spirit of community. By building capacity, self-confidence, and voluntary spirit during group activities, members can acquire skills and knowledge to develop sustainable community development.

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