

**The Role of Financial Management on the Performance of Savings and Credit Co-operatives
Evidence from Selected Co-operatives in Kigali, Rwanda**
By
Uwingabiye Alice
Master of Arts in Cooperative and Community Development
Sokoine University of Agriculture, 2013

Many SACCOs in Rwanda are not financially performing well thus a research on the role of financial management on performance of Savings and Credit Co-operatives (SACCOs) in Rwanda was conducted in three SACCOs (UMUTANGUHA, COOJAD and COOPEDU) operating in Kigali city. The study aimed at finding out the financial management tools used in SACCOs, identifying key drivers of financial management decisions, examining the linkage of financial management decisions and financial performance. Questionnaires, interviews and documentary review were used to collect data. One hundred and twenty questionnaires were distributed to members and the interviews were conducted to nine SACCOs' staff. The data were analyzed mainly through a trend analysis coupled with ratios analysis, frequency and percentage. Statistical Package for Social Sciences (SPSS) was used to analyze data. The findings of the study showed that financial management had played role on performance of SACCOs. However, lack of some financial management tools, limited key drivers of financial management decisions, poor loan management affected negatively financial performance of the surveyed SACCOs. Therefore, and financial management of these three SACCOs needs to improve liquidity management, loan management in order to perform better and attain operating self sufficiency.