



**INVESTIGATING THE FACTORS HINDERING THE PERFORMANCE OF
COOPERATIVES. A CASE OF NALOLO DISTRICT IN THE WESTERN
PROVINCE OF ZAMBIA.**

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DECLARATION

I, the undersigned, Namushi Namushi, hereby declare that this dissertation submitted to the University of Zambia for the master's degree purposes has not been previously submitted for degree purposes to any other institution of higher learning. I further acknowledge that the work presented in this study is entirely my own, except where sources are acknowledged.

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This research project report of NAMUSHI NAMUSHI is approved as fulfilling the requirements for the award of the degree of Master of Business Administration (MBA-general) offered at the University of Zambia in collaboration with Zimbabwe Open University.

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ABSTRACT

Co-operative enterprises are regarded as a vehicle to fight poverty, create employment and boost economic growth in Zambia. A high number of co-operatives in the country were created through initiatives of government agencies. However, co-operative enterprises have for a long time been experiencing operational performance difficulties. The purpose of this study was to investigate the factors hindering the performance of cooperatives in Nalolo district, located in the western province of Zambia. To achieve this aim the study was guided by three specific objectives and these are; to investigate how management of cooperatives affect performance of its members, to investigate how income levels of members affect the cooperative performance and to assess the effectiveness of education and training of the leaders of the cooperatives. The Primary data was collected from 20 co-operative organisations based in Nalolo District, using a structured questionnaire. A probability sampling method was used in this study, focusing on simple random sampling. Moreover, a quantitative approach was used for data collection and the data was analysed using the Descriptive statistical techniques. The data was presented in tabular form followed by the researcher's interpretations thereof. The demographic findings of this study reveal that the majority of participants are middle aged adults, most of whom are women and who have attained a high-school level of education. Moreover, the findings show that the majority of co-operatives have been in operation for less than five years. In addition, the findings reveal that a larger number of cooperatives in Nalolo district are in the agricultural sector

Keywords: co-operatives, performance, management, income, leaders and education.

DEDICATION

This work is dedicated to my late daddy, my wife, family and friends, for their endless support throughout my entire academic life.

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LIST OF ACRONYMS

| | |
|----------------|--|
| ACCOSCA | African Confederation of Cooperative Savings and Credit Associations |
| CAZ | Cooperative Alliance of ZAMBIA |
| DCDO | District Cooperatives Development Officer |
| GRZ | Government of Zambia |
| ICA | International Cooperative Alliance |
| ILO | International Labour Organization |
| IYC | International Year of Cooperatives |
| ZACCU | Zambia Agricultural Commodities Cooperatives Union |
| ZCC | Zambia Cooperative Creameries |
| ZFA | Zambia Farmers Association |
| ZNFC | Zambia National Federation of Cooperatives |
| ZPCU | Zambia Planters Cooperative Union |
| ZUSCO | Zambia Union of Savings and Credit Cooperatives |
| MIED | Ministry of Industrialization and Enterprise Development |
| MACO | Ministry of Agriculture and Cooperative |
| NACHU | National Cooperative Housing Union |
| SACCO | Savings and Credit Cooperatives |
| SMMEs | Small, Medium and Micro-sized Enterprises |
| UNDP | United Nations Development Programme WFP World Food Programme |

CHAPTER 1

INTRODUCTION

1.1 Overview

This chapter has covered the following; the background of the study, the problem statement, the goals or purposes of the study, the objectives of the study, and the significance of the study which were highlighted. Theoretical framework, study limitations, study scope, operational definition, and ethical considerations were few more that were further explained.

1.2 Background to the Study

A cooperative has been characterised in a variety of ways and phrases based on the numerous cooperative societies, distinct understandings, location, level of engagement in the line of production, and function of each form of cooperative from a global viewpoint. A cooperative society has no common definition. A cooperative, on the other hand, can be characterised as an autonomous association of people who freely cooperate for mutual, social, economic, and cultural benefits, (Aazami, M. Soroushmehr H, and Mahdei K.N, 2011)

The International Cooperative Alliance defines a cooperative as an autonomous group of people coming together voluntarily to pursue their shared economic, social, and cultural goals and aspirations through a jointly owned and democratically run business. This philosophy is strongly tied to the fundamental principles of cooperatives. Formal cooperatives are believed to have started in 1844 at the Rochdale society in England, according to (Kimberly, A. and R. Cropp,, 2004), (Kobia, S.K. , 2011).They were created to cater for the various needs of the members, such as housing and storage. According to (ICA,, 2012), there are significantly less cooperatives in Africa than there are in affluent countries like Europe.

According to the International Cooperative Alliance, (ICA,, 2012) a cooperative can be defined as an autonomous association of persons united voluntarily to meet their common economic, social, cultural needs and aspirations through a jointly owned and democratically controlled enterprise. This definition very closely relates to the essential principles of cooperatives. Formal cooperatives are originally believed to have started in the Rochdale society in England in the1844, (Kimberly, A. and R. Cropp,, 2004) (Kobia, S.K. , 2011)

They were formed to serve the multipurpose interest of members such storage and housing. The developed country has the highest number of cooperatives compared to those in Africa, (ICA,, 2012), shows that African cooperatives are very few compared to those in Europe.

Cooperatives are classified into three types: primary, secondary, and tertiary. This is based on an economy's level of involvement in the line of production. Primary cooperatives are involved in the beginning stages of production of a certain good. Secondary cooperatives work to change primary items into a different form in order to suit certain usefulness in an economy. Finally, tertiary cooperatives use secondary products or by-products to suit specific economic demands. Cooperatives can be further classified as producer, consumer, worker, purchasing, and housing cooperatives. (Miami, M,2012). Producer cooperatives are involved in primary production. In order to purchase necessary goods that a group of consumers want jointly at reasonable rates, consumer cooperatives are founded, (Kimberly, A. and R. Cropp,, 2004).Additionally, he contends that increasing the amount of things consumers can buy with their money and their purchasing power are what the consumer members are most concerned about. Members or staffs of the same cooperatives establish worker cooperatives. People that seek to find a solution for the housing issue create housing cooperatives. Consequently, members share utility of a particular commodity get together to form purchasing cooperatives. They come together in order to take advantage of the cost savings that come with buying in bulk. Both local and national developments depend greatly on cooperatives (ICA, , 2013).

Cooperatives provide its members with important advantages. To begin with, it is simple to combine limited resources for a single investment. Second, members benefit from scale economies in production, purchasing, or marketing. This is a by-product of the cooperatives' large-scale nature. Thirdly, cooperatives have better procedures and shared accountability. This implies that members with a range of competencies and abilities take part in the management or decision-making of cooperative groups. The availability of credits and other services comes in fourth. In contrast to individuals, cooperative societies in many 21st-century nations face little of a collateral issue when securing loans. The maximization of returns comes last. This is the primary advantage of cooperative societies (IYC, , 2013). As a result, cooperatives are a vital vehicle for communal development. The UN's socioeconomic

Development is aligned with Zambia's Vision 2030, which also supports the Millennium Development Goals (GRZ , 2007).

Cooperatives have a comparable history in certain African nations like Zambia, Tanzania, and Malawi. According to (Schwettmann, J., 2011), cooperatives in Africa have an impact on the social and economic viability of the established institutions. According to him, communities worked together for reciprocal, solidarity, and mutual purposes. This suggests that informal

economies, which (Schwettmann, J., 2011) reported were still in place in rural communities at the time of his study in 2011, were the origin of cooperatives in Africa. He continues to demonstrate how colonial governments established contemporary cooperatives in Africa. Additionally, he claims that modern cooperative development was crucial and was prioritized in African economies following the independence of African nations in the 1960s. This suggests that cooperatives were regarded as a viable means of achieving economic growth and development. According to the same research, despite the state's retreat from cooperatives in the 1990s, there is evidence of expanded and sustained cooperative movements and membership in (Pollet, I., 2009), found that cooperatives are developing and growing throughout Africa in his research. According to his results, Savings and Credit Associations SACCOs have grabbed the lead in the African cooperative sector. The Co-operative Savings and Credit Associations (COSCA), of which Zambia is a member, was established to serve the interests of SACCOs in Africa as a result of SACCOs. In Africa, cooperatives are diverse in the range of economic endeavours that individuals engage in. It is evident that African nations continue to embrace the ideals of collaboration.

This follows that cooperatives in Zambia are not different in engagements by the people and the government. Cooperatives in Zambia can be traced to a period before and after independence where agriculture was the main focus. (Kobia, S.K., 2011), says that the history of cooperatives in Zambia dates back to the beginning of 20th century. According to the (Maco, 1987), Cooperatives in Zambia are engaged in all sectors of the national economy and are diversified across many activities. It further indicates that cooperatives are categorized into sectors including both formal and informal types. Formal cooperatives are involved in sectors such as Agriculture, Industry, Housing, SACCO Societies and Insurance among others. On the other hand Informal cooperatives include, shoe repairs, handicraft among others.

Cooperatives also play an important role in social responsibility which is an aspect considered important in the Zambia vision 2030 (GRZ, 2017). Therefore cooperatives in Zambia and other countries are viewed and considered to be a developmental tool that assists in promoting socio-economic goals in development (Najamuddeen, et al., 2012)). It is therefore necessary for a group of people to pool together their resources to attain community development.

Cooperatives have been formed in the Nalolo district in particular to address the diverse requirements of the community. SACCOs and multipurpose cooperatives are the most common types of cooperatives in the district, (MOA, 2021). The district has four hundred and seventy

four (474) cooperatives in total, 15 of which are active and operational, hundred and eighty five (185) are defunct and Two hundred and seventy four (274) of these are inactive cooperatives have no known membership or contacts. The cooperative societies in the Nalolo district encounter numerous problems, some of which have resulted in their failure and eventual demise (Maco, 2012).

1.3 Statement of the Problem

Cooperatives are formed to solve felt and common needs of the members. Cooperative movements have been in the forefront of helping communities to achieve socio-economic development in Zambia. Cooperatives are seen and used as the best vehicle for fighting poverty and reducing inequality in the society. It is a national concern for the formation of cooperatives in different economic sectors in Zambia. There are many examples that demonstrate the benefits that accrue to members of a well-organized and managed cooperative society. In Nalolo district, SACCOs and Multipurpose cooperatives promote production and marketing of rice, maize, groundnuts, and services, such as transport and hammer mills. Therefore, they have played an important role in the socio-economic development for communities in Nalolo district, (MOA, 2021). However some cooperatives have been found not to achieve the intended goal of the members. Cooperatives in Nalolo district have a record of poor performance. According to a reports released by the District Cooperatives Development Officer (DCDO), it is evident that ten of the thirteen cooperatives in the district are dormant. It is observed that most the cooperatives in the study area have few activities that they carry out collectively.

Savings And Credit Cooperatives (SACCO) and Multipurpose cooperatives do not operate to reach a level of maximum returns and benefits to the members. Poor performance has led to members' withdrawal from some cooperatives. Failure to save and repay loans is also an indicator of poorly performing cooperatives in the district. This can be attributed to organizational and leadership challenges, difficult operating environment and inability to adapt to changing socio-economic environment, including markets of products and services offered. These challenges could lead to poor performance and eventually collapse of a cooperative society if not addressed. Two hundred and eighty four dormant cooperatives out of the seventy four cooperatives in Nalolo district is relatively a higher number as compared to fifteen which are active. This is a clear evidence of poor performance of cooperatives district.

Therefore this background created the need to study on the factors influencing the performance of cooperatives in Nalolo district. This study therefore sought to investigate into the factors that influence the performance of cooperative societies in Nalolo district and generate possible solutions or recommendations for addressing the problems hindering the success of existing cooperatives.

1.4 The Purpose of the Study

The goal of this study was to investigate the factors that hinder the performance of cooperatives in Nalolo district. This study was to look at the variables affecting the cooperatives' ability to operate in Nalolo district. The study was to pay particular attention to cooperatives in Nalolo district.

1.5 Objectives of the Study

1.5.1 General Objectives

The main objective of this study was to investigate the factors hindering performance of cooperatives in Nalolo district.

1.5.2 Specific Objectives

1. To determine how cooperative management affects performance of the cooperatives.
2. To ascertain how members' economic levels affect the performance of the cooperatives.
3. To assess the relationship between educational attainment and leadership training and cooperative performance.

1.6 Research Questions

1. In what ways does the management of cooperatives affect the performance of its members?
2. In what ways does the economic status of the members influence the performance of the cooperative?
3. What effect do leaders' education and training have on the cooperative performance?

1.7 Significance of the Study

This study is significant in a variety of ways; the theoretical framework postulates that the performance of any co-operative business model is dependent upon the enterprise internal

governance and the external supporting institutional, legal and policy environment. The outcome of the study had shed light on how these variables affect the performance of co-operatives and what co-operative business model innovations needs to be introduced to ensure value creation, delivery and capture of sustainable economic and social impact. The outcome of the study provided input to future case studies on co-operative business model design.

The Zambian government recognises the importance of Small, Medium and Micro-sized Enterprises (SMMEs) and co-operatives, as key drivers of economic growth and job creation. Moreover, in 2021, the Ministry of Small Business Development established indicating government's commitment to placing SMMEs and co-operatives at the heart of economic growth, promotion of economic participation, promotion of formalisation of informal businesses and job creation. However, a concern has been raised by the DTI (2020) regarding the low survival rate of co-operatives. The findings from this study have provided the details on factors which influence the operational performance of co-operatives.

Furthermore, the results have provided the inputs that may be used by policy-makers, specifically the Department of Small Medium Enterprise Development, the Department of Trade and Industry, the Department of Rural Development, the Department of Economic Development, Tourism and Environmental Affairs and the Small Enterprise Development Agency. The study also aims to assist in the improvement of co-operatives' survival rate by contributing to the resolution of co-operatives' operational performance challenges. Hence, improving operational performance of co-operatives will contribute to sustainable development through their contribution to economic growth, poverty alleviation, employment creation, crime reduction and community development.

1.8 Limitation of the Study

This study had faced some challenges emerging from the choice of the design and the scope of the study. Some of the potential respondents were inaccessible due to the vast area of coverage and poor terrain of Nalolo district. Higher expectation from the respondents had risen during from the process of data collection. Some respondents had seen the researcher as the mediator between cooperatives and the Ministry of Small Medium Enterprise and Development. Some of the respondents saw the researcher as a stranger and an intruder with hidden agenda. Time and financial constraints also had posed a challenge to the study which led to narrow variables of the study against what the respondents felt to have been considered in the study. These challenges were mitigated by use of introduction letter from the school and the authority

granted by the permanent secretary. Briefing with the leaders of the cooperative served and strengthened the rapport with the respondents.

1.9 Assumptions of the Study

The study had assumed that the participants would be willing to answer the questions on the questionnaire. The responders' honesty was assumed to constitute the second premise. Furthermore, it was believed that cooperatives founded in the Nalolo district resembled cooperatives founded elsewhere.

1.10 Operational definitions

Cooperative: It is an autonomous association of persons united voluntarily to meet their common economic, social, cultural needs and aspirations through a jointly owned and democratically controlled enterprise.

Factors: These are elements that bring about certain effects or results.

Performance of cooperatives: It is the accomplishment or the achievement of stated goals under some prescribed standards and indicators in a particular activity or undertaking. In this study performance will be indicated by the number of meetings, resource base, level of member participation, management capacity and socio economic benefits.

Education level: The highest level of education or literacy attained in a formal education system. It is the primary, secondary or post-secondary level of education.

Training: In this study training was the processes by which cooperative leaders acquire specific skills to enable them perform their duties and specific tasks effectively.

Level of income: It is the range of earning within which a particular person earns per annum.

Quality of Management: It refers to the acceptable level of management capacity of leaders in respect to laid down procedures. Level of member participation, flow of information and frequency of meetings will be used to measure quality of management.

Influence: To produce an effect by one variable on another variable either positively or negatively

Active cooperatives: Cooperatives that are still in existence and carrying out their functions.

1.11 Organization of the Study

The study was organized into five chapters. Chapter one gave the introduction to the study. This contained the background to the study, statement of the problem, purpose of the study, objectives of the study, research questions, and significance of the study, limitations of the study, assumptions of the study and definition of significant terms. Chapter two contained the reviewed literature based on the objectives of the study. It also gave a description of the theoretical framework. Moreover it is the conceptual framework of the variables under the study. Chapter three covered the research methodology which highlighted on the research design, target population, sample size and sampling procedure, research instruments, pilot testing, methods of data collection, methods of establishing validity and reliability of data collection instruments, operational definition of variables, methods of data analysis and ethical considerations.

CHAPTER TWO LITERATURE REVIEW

2.1 Overview

The chapter addressed the aspects that influenced the cooperative operational performances. Furthermore, it demonstrated that the growth of cooperatives is reliant on the evaluation of internal and external elements. Many co-operatives have gone out of business due to a variety of circumstances such that the guiding principles of cooperative activity strike a necessary balance between self- and community-benefits. The history of cooperatives around the world demonstrates the importance of these firms in socioeconomic development, making them appealing in the pursuit of radical economic transformation. The examined literature was useful in evaluating and interpreting the data acquired using the approach indicated.

2.3 Performance of Cooperatives

The concepts that served the study backgrounds are covered in this chapter. These topics included the quality of management of the cooperatives performance, education and training levels, and income levels of the cooperative members. Theoretical and conceptual background was also included. According to Warren and Preston (2010), (Miami, M., 2012) and (Andreou, P, 2008), cooperatives have many benefits with respect to agricultural sector as well. These include increased farm income derived from the general economies of scale. They also cited that farmers benefit in the improved service from the service providers since it is easy to access them as a cooperative. Expansion of markets and improved management are also benefits that farmers derive from acting collectively. Co-operatives attract social benefits such as creation of employment and strengthened public distribution system (Anbumani, K, 2008). Cooperatives have the benefits of accessing credits, achieving competition, realizing higher incomes and for the purpose of learning. This is clear evidence that there are many benefits of cooperatives in realizing community development.

According to (Clarke, R.L. (2011), *The Measurement of Physical Distribution Productivity: South Carolina, a Case in Point*; *Transportation Journal*, 31(1):14-21, 2011) and (Harrington TC, Lambert DM and Christopher M, 2011); Performance of cooperatives is seen as improved product quality, productivity, technical efficiency, service capabilities of an organization and sustained returns. This indicates that the performance indicators of different cooperatives are varied, and best describes the performance of different cooperatives. (Dess, G. and Robinson, 2017), showed that economic indicators of performance such as return on capital and growth on sales can be used to measure performance. Performance is therefore intertwined within the goals of a cooperative.

2.4 Education Level and Training of Leaders and Performance of Cooperatives

Education has been and is an important prerequisite in organizational leadership and management. Education level refers to academic credentials or degree an individual has obtained (Thornly, J., 2011). In their discussion they attest to the fact that most organizations use education as an indicator of a person's skill or level of productivity. Education level is used as a prerequisite in hiring criteria in organizations. Higher education level is therefore associated with higher performance and vice versa is also true. This variable, "level of education" have been investigated by many studies. This is because the level of education has an implication to the basic management capacity of an organization. (Miami, M., 2012) argues that education is vital to bring awareness of the problems of rural areas and business outlook development. He states that there is a correlation between education and economic growth.

Training also depends on the education level of the workforce. According to (Hyden, G. ., 2013), training of leaders is essential in improving the capacity to perform well. Chibanda et al (2009) point out that the performance of cooperatives depends on education and training of cooperative members and enhancing their knowledge of cooperative principles and member's rights. Education and training in this case is geared towards improving member participation and understanding of cooperative management activities even if managed by a separate body. (Andreou, P, 2008), points out that the main constraint to cooperative expansion in the developing countries is the lack of trained personnel at all levels. Cooperative education and training should therefore be emphasized to improve on their performance.

According to (MACO, 2017) many of the problems facing cooperatives in Zambia is lack of the required and necessary management skills and knowledge among the members and the employees of the cooperative societies. This lowers the management capacity in cooperatives leading to losses of funds through various ways as one of the constraints that hinder the good performance of cooperative societies. The Zambian government therefore saw the need to initiate training programmes for the members and the employees of the cooperatives

2.4 Level of Income and Performance of Cooperatives

Income is an important factor on cooperatives. Members' income is very important since it strengthens the supply chain of producer cooperatives and accumulation of resources for Savings and Credit Cooperatives. Members' income is reflected in the Financing of any organization. For cooperatives to succeed, the strategies to finance it must be well laid down.

According to (Kimberly,Z.and J. Radel, 2005), enough funds and other capital assets are necessary to run a cooperative. They attest to the fact that community support for cooperatives is essential to their viability and success. (Kimberly, Z, 2012), stated two types of financing. These are Equity and Debt financing as the main source of finance. Equity finance is from owner contributions or sale of shares. Debt finance is acquired from loans from banks to be paid with an interest. Consideration to the effective source of funds must be made since every source of funds has its own advantages and disadvantages. Equity in the form of members' contributions is the main source finance to a cooperative.

Therefore a reliable level of income for members leads to improved support for the activities of cooperatives. On the other hand unreliable level of income leads to poor performance of cooperatives due to lack of the required support from member contributions. According to a research conducted by Agrawal et al (2002), member funds were found to be significantly associated with member-control and member-usage. This implies good performance of cooperatives.

2.5 Quality of Management and Performance of Cooperatives

The performance of cooperatives solely rest on management. Management involves human activities to put other factors of production into use in order to produce the desired ends. According to (Rafael, V.B.J, 2010), management of cooperatives can be discussed into three main levels. To start with are the members who are the shareholders and the founders of the cooperative society (Caroline, 2009).Secondly is the board of directors which is the democratically elected body by the members, through their voting rights (Rafael, V.B.J, 2010). Finally is the hired management body which runs the activities of the organization towards achieving the set goals. According to (Hyden, G, 2013), management processes should be geared towards achievement of the organizational goals. From his point of view it is evident that the management in place should follow and understand the member requirements. Moreover he states that poor management leads to apathy among members and that the issue of integrity in cooperative management is vital for performance. Andreous (2017) contends that the standards of cooperative management are taken to be low.

(Widstrand G, 2010), argues that the cause of effective or ineffective performance is to a greater extent assumed to be good or bad management. (Kobia, S.K., 2011) points out that weak ethics are a challenge that leads to poor corporate governance. Management also has to do with control. King and Ortmann, (2007) argue that control problems may arise when ownership and

control is separate between members and board of directors due to divergence of interests. This conflict of interests in cooperatives management may lead to poor performance. According to (Goff, S.N, 2013), the quality of management is based on the quality of elected board. This is because the board is normally tasked by the members to appoint the hired staff to manage and run the organization. The general characteristics of people in management are very crucial since it influences the process of management. The quality of management would therefore go along way into activity and the process management for the entire achievement of the set goals. (Mude, A., 2006), points out that collective organization has failed to meet their stated goals and even at times leaving their members worse off. In his study (Mude, A., 2006), found out that lack of credible enforcement mechanism in the coffee cooperatives paved way for the corrupt and incompetent 20 members to capture cooperative management positions for their personal gains hence leading to poor performance. This makes it clear that management is very crucial for the performance of cooperative societies for the achievement of the set goals. (GSDRC , 2011), Supports that capable management and governance of cooperatives should have the ability to adapt to prevailing business conditions and show professionalism and virtues of good leadership.

(Van der Walt's L , 2005), in his study found out that poor management , lack of training, conflict and lack of funds contributed to failure or poor performance of cooperatives. Good management therefore should carry out the basic functions of the organization. According to Weihrich et al (2010), these functions of management include planning, organizing, staffing, leading and controlling.

2.6 The establishment of cooperatives

According to the international cooperative alliance, (ICA 2016), a cooperative can be defined as an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through jointly owned and democratically controlled enterprise. Cooperatives have been recommended by many agencies of development. These include FAO WFP, UNDP, and (ILO, , 2012). Moreover the United Nations (UN) declared the year 2012 to be the International Year of Cooperatives (United Nations,, 2012).

Globally the origin of formal cooperative movements is believed to be the Rochdale society in England in 1844 (Kimberly, A. and R. Cropp, 2008) and (Andreou, P, , 2008).They were formed to serve a multipurpose interest of the members including storage provision and acquisition of houses. The cooperative movements in Zambia have been in existence from time

immemorial. The history of cooperatives among the Zambian people can be traced to the traditional society before the colonial period where people cooperated in social and economic ways including hunting, farming, caring for livestock, building houses and in many other important social activities during that early period. It is evident that the cooperatives in the traditional societies were not based on the financial gains but were carried out for mutual benefits. This can be seen as an informal type of cooperatives since no publication indicates presence of by-laws or any strict guideline to such form of cooperation. People are also endowed differently and with different resources and skills. According to (Hyden, G. 2009), cooperatives have their roots and origin in the traditional indigenous society for reciprocity and mutual benefits. He argues that the traditional cooperatives developed gradually to the modern cooperatives. (Hyden, G., 2009) says that cooperatives were considered in history as a tool to realize African socialism. (Chepkwony, C, 2008), indicated that the term Harambee was used to mean ‘let us pull together’. He also says that different communities in Kenya have a different word which means the same as Harambee. In essence communities cooperated in some way during difficult times. The term Harambee therefore calls Kenyans to form cooperatives for their economic and social gains. Indeed this term is used widely in political arena and forms a basis for social economic pillar in Kenya.

(Hyden, G, 2009), indicated that the first cooperative ordinance was in 1931. He stated that in 1946 Africans were allowed to form their own cooperatives. Moreover he showed that during the period of independence in most African countries there were many cooperatives formed by smallholder peasant farmers. According to (Kobia, S.K. , 2011) the history of the modern cooperatives began in the 20th century. He stated that the first cooperative was established by the whites in 1908 during the era when Africans were not allowed to form cooperative movements.

The first cooperative ordinance was enacted in 1931 to govern the registration of cooperatives. A second cooperative ordinance was enacted in the year 1945 which allowed Africans to form their own cooperatives. After the Zambia gained independence in 1964, the government gave emphasis and supported cooperative development as development strategy. There is a record of a tremendous increase in cooperative membership by 1980s. The first cooperatives including ZCC, ZFA and ZPCU served the interests of the white settlers. The same have been adopted and supported by the Zambian government up to date. The Zambian government gradually established and developed departments and ministries to cater for the affairs of the cooperative movements. Sessional papers and acts have continuously been prepared and passed to cater for

rising needs of the cooperatives. For instance the Cooperatives Society Act No 12 of 1997 which led to the formation Zambia Rural Savings and Credit Cooperatives Societies Unions (ZERUSSU) was registered to respond to the needs of rural SACCOs. Today these SACCOs take a larger portion of cooperatives in Nalolo district (GRZ, 2017). Over time there has been the Ministry of cooperatives followed by incorporation of cooperative department in the Ministry of Agriculture and rural development.

In 2007, the vision 2030 that was published by the Government of the Republic of Zambia gave emphasis and recognized the importance of the cooperative sector in the reduction of social exclusion and in strengthening of the agriculture sector and so the reduction of poverty. Cooperatives were seen as a community development tool. In the year 2008, SACCO Societies Act was enacted and provided for the formation of SACCO Societies Regulatory Authority (SASRA) which was geared towards to strengthen the formation and survival of cooperatives (Maco, 2012). The coming of the new government in the year 2021, the MACO changed its name to the Ministry of Small Medium Enterprise Development (MIED). There has been a constant evolution of cooperatives in Zambia before independence and after independence. Cooperatives have been transformed from rather simple to complex and highly commercialized cooperatives. The traditional cooperation gave way into the spirit of working together that has been considered one of the pillars of Zambia's socio – economic development and the politics. It is important to note that this traditional cooperation contributed strongly to the later embracing of the cooperative movement.

Cooperatives can be categorized in many ways depending on ownership structure, activities undertaken, and the level of engagement among other distinguishing features and factors considered in the formation of each type of cooperative (GOK, 2015). The objective of the people in the formation of any cooperative society mainly defines the type of cooperative that they form. Therefore there can be as many types of cooperatives as the diversity of the needs of different groups of people may be. However all types of cooperative societies are bound by almost common rules and principles set by the members. Cooperatives are broadly and categorized into primary, secondary and tertiary cooperatives based on the level of engagement in the line of production of a particular good. The main types of cooperatives in Zambia includes Agricultural and marketing, Consumer cooperatives, Housing cooperatives, SACCOs, Artisan and handicraft, Service cooperatives and Multipurpose cooperatives. (GRZ, 2007). Globally the common types of cooperatives are categorized as follows.

Producer Cooperatives; according to (Miami, M, 2010), these are the types of cooperatives engaged mainly in the primary level of production. Members in these types of cooperatives in many instances are engaged in agricultural activities. However other enterprises such as crafts, artists, fishing and mining are also forms of primary level of production (GRZ, 2007). The members of this type of cooperative may join hands in several ways as need be or may arise. For instance, farmers may buy farm inputs together in large scale so as to benefit from the economies of scale. They may also process some products, access extension services or market their produce together in a cooperative among other needs. Other forms of production may require similar services and inputs which warrants member cooperation.

Worker cooperatives; these are cooperatives formed by members drawn from mainly the same working organization or from the same region. A worker cooperative can also be defined as a business entity that is owned and controlled by the people who work in it (Aazami, M. Soroushmehr H, and Mahdei K.N, 2011) These have featured mainly where workers come together for a particular investment. Initial capital outlay is designed and members acquire shares based on some agreed conditions and the members ability to buy shares in the company. This dictates member's ownership in the business and the extent of decision making in the same organization. The methods of sharing profits and losses are also designed at the initial stages. They can lead to the formation of SACCOs if engaged in saving and loaning to the members. Moreover worker cooperatives are formed by working people to improve their working conditions and welfare, (Thornly, J., 2009).

Consumer Cooperatives; These are cooperatives formed by people who want save on some common items purchased. Members would also want to cooperate so as to acquire and access some basic items easily. These cooperatives therefore stock the identified items for purchase by the members at the agreed price per unit. Management committee may be selected to run the consumer cooperative for the members, (Kimberly, A. and R. Cropp., 2014).

Marketing Cooperatives; this is a category of cooperatives generally formed by producer's usually small-scale producers with the aim of marketing their products. The main objective in these cooperatives is that producers can sell their products at good or competitive prices. Usually they empower the producers especially farmers to cut on the long supply chain of market players that has been proved to exploited such producers. This is merged as one type of cooperative with production especially agricultural.

Credits Cooperative Societies, these are cooperatives formed by people who have the objective of financial assistance to the members. This takes the form of SACCOs in Zambia (Maco, 2012). They are usually formed by members from the same organization who agree to save some money to common pool from which members apply for loans at generally lower interest rates. Members may also expand their cooperative by taking deposits and issuing out shares and other accruing benefits. Some of them provide loans in kind such as inputs to the members.

Housing Cooperative Societies, such cooperatives are geared towards providing affordable and modest housing facilities. Members are either allowed to save for a given period of time or are given loans to construct their houses, (UN-Habitat, 2010).

Performance of Cooperative Societies is guided by certain rules generated by the International Cooperative Alliance (ICA), generally referred to as the Principles of Cooperatives. These are the universally accepted as essential cooperative guidelines by which cooperative societies and movements work towards achieving their objectives .According to (ICA., 2016), (ICA., 2012) and (Maco, 2012); the following are the essential principles of cooperatives;

- **Voluntary and Open Membership.** In this case membership is free and open to all kinds of people without any aspect of discrimination either of gender, social, political or in any other way. (Miami, M., 2012) added that there should be no desegregation on race, clan or tribe, such that there is free entry and exit to any member in the cooperative society.
- **The Democratic Member Control of the cooperative societies.** This follows that cooperatives are democratic organizations run and controlled by the members through policy formulation and active participation in its running. Some members may be elected in management positions to run the cooperative on behalf of the members. However all members have equal voting rights, usually on one member one vote basis.
- **Member Economic Participation** in the development activities of the cooperatives. Members contribute to the capital base of the cooperative society. Members equitably pool their resources together for a common goal. They also share losses and benefits if any equitably. This reinforces the democratic member control.
- **Autonomy and Independence** nature of the cooperatives in practice. Cooperatives are autonomous in leadership and” self-help” organizations run and controlled by the members of the same cooperative. There is no interference whatsoever from other

bodies of the government. Cooperatives can sign agreements with other organizations without diluting their control.

- **Education, Training and Information** provision to its members particularly the managerial team. Cooperatives provide education and training to the members on the specified need, elected management team and employees so that all can contribute towards the achievement of the goals and the entire development of the cooperatives. They provide relevant information to the public and the interested parties.
- **The cooperatives Concern for Community** in terms of development. In this case cooperatives strive towards sustaining activities of the members and the communities at large.
- **Co-operation among Co-operatives** principle. Cooperatives are at free will to cooperate with other cooperatives at the local, regional and international levels. Networking and membership to apex and umbrella cooperatives is free to cooperatives. This is done to improve efficiency of service delivery to the members. For instance some cooperatives in Zambia are members of Zambia National Federation of Cooperatives (ZNFC).

All of these principles are consistent with cooperative principle requirement for the registration of cooperatives in Zambia National Federation of Cooperatives in the cooperative societies (Kimberly, A. and R. Cropp., 2014), strengthens the application of the ICA principles of cooperatives as an important set of guidelines to improve performance of cooperatives. A cooperative movement succeeds depends on the degree to which the principles of cooperatives are adopted and implemented, (Widstrand G , 2008). Apart from cooperatives principles, Cooperatives are built on the values of self-help, self-responsibility, democracy, equality, equity and solidarity. Members also belief in some code of conduct in ethical bases and values of honesty, openness, social responsibility and caring for others (ICA, , 2013).If well applied cooperative principles and values have a positive effect to the performance of cooperatives.

Cooperatives have many benefits economically and socially. The (ILO, , 2012) has sited some of the benefits of cooperatives including starting with keeping economic benefits within the community. In this case cooperatives are owned by the members within the community and run the cooperative to an identified need of the community. Secondly is the transfer of knowledge to the members through these cooperatives. Members learn leadership and managerial skills which is essential to the community. Promotion of democracy is also a benefit

that accrues to cooperatives. In this case voting rights of members is democratically exercised. Fourthly cooperatives enable members to access and maintain markets which may otherwise prove difficult when accessed individually. Moreover, pooling of resources together enhances the competitive edge of the cooperatives. Cooperatives are found to network at the local, regional and international levels. As such cooperatives are seen as systems for development.

(ILO, , 2012) and (Kobia, S.K. , 2011) highlighted the benefits of entrepreneur cooperatives including diversification of production or increased volumes of production followed by improved labour and capital productivity. Secondly are the higher incomes and employment effects derived from cooperatives. The third is improved company sizes in the informal and formal small micro-enterprise sector. Fourthly is better access to and mobilization of local resources. Next benefit is the diffusion of innovation among members. Sixthly is increased knowledge-transfers, resulting in human resource development .Seventhly is the increased efficiency and savings on transaction costs and credit worthiness, and therefore introduce new investment possibilities to the cooperatives. The eighth point is the enhanced risk management. The ninth is the possibility to invest in infrastructure development as part of community development. Finally is the complementary to democratization efforts of local government with regard to allocation and distribution of resources .These are economic and socio-economic benefits

2.6 Identification of Research Gaps and unaddressed Challenges

Co-operative Capacity Building: The literature review does not extensively address the issue of building co-operative development. In Zambia, there is a need to focus on enhancing the skills and knowledge of the cooperatives to improve efficiency and compliance with regulations. Though Zambia has been hailed as a beacon of economic management compared to most African states, youth unemployment, poverty, and inequality have remained major policy challenges (Nthomang & Diraditsile, 2016). In recent decades, the promotion of entrepreneurship as a possible source of job creation, empowerment, and economic dynamism in a rapidly globalizing world has attracted increasing policy and scholarly attention. The cooperatives movement in Zambia has witnessed frequent and major changes in its

development, which have subjected the movement to many challenges. These challenges encountered have largely been in relation to cooperative performances such as inadequacy management skills, low income generation and poor resource management.

Public Awareness and Participation: Engaging the public and stakeholders in cooperative movement is an area where the literature may not fully address Zambian challenges. Ensuring transparency and accountability requires active involvement and awareness among citizens and other non-government organizations. In terms of their organizational structure, the cooperative movement has been characterized by lack of commitment from members, embezzlement of funds, and mismanagement of primary cooperatives (Modukanele, 2011). This situation has been exacerbated by the legislative framework that has largely linked cooperatives to the government, with the result that some primary cooperatives function as semi-public bureaucratic enterprises rather than genuine voluntary and private business enterprise. Overall, the movement in Zambia has not been doing very well and has not been able to build up a well patterned structure, nor has it been able to develop the capacity for self-management at the primary, secondary and apex levels (ILO, 2014). The apex bodies have also completely collapsed and they have, in some instances, failed to mobilize resources on their own, which has quite often required them to rely almost entirely on credit from the Government. The functioning primary cooperatives are performing poorly, while some are no longer active and therefore facing extinction. In spite of the tradition of cooperative enterprises and citizens' engagement in fields other than the social, it is worth noting that the concept of cooperative has not, to this point, been used in Zambia. However, there are a large number of projects and initiatives which have developed during recent years, which could be taken into consideration when considering cooperatives. They are often mostly financially supported by government and the private sector. Such programmes have had a considerable influence on social work practice and probably also on the modernization of the welfare state.

Despite the importance of cooperative development, the numbers of studies that have investigated the factors influencing cooperative performance have been limited in this field of study. Studies by (AMBE, 2012), draws much emphasis on ethics, awareness, and cooperative management. However, they fail to address the factors influencing cooperative performance, and most importantly, they do not devise any new intervention strategies against these limiting factors for cooperative development. As a result, the purpose of this research is to fill the void.

It is also clear that successes are far outweighed by challenges because the needs of the people remain largely unaddressed by the existing cooperatives. In particular, there is very little, and in some cases no noticeable change or improvement in the quality of life of members. An intervention cooperative that does not improve the socio-economic conditions of the beneficiaries is a failure and should be reviewed to make it better or discontinued.

It is important for government to commit resources and dedicate time to conducting research on the challenges to existing cooperatives, in particular, their inability to provide long-term solutions to the problems of poverty and improvement of peoples' conditions. To address the situation, there is need to engage all relevant stakeholders in constructive dialogue with a view to finding long lasting solution to the problems that are affecting cooperative development in Zambia. It is also important to consider the following areas for improvement: increased consultation, collaboration, and partnerships; creation of institutional structures for effective implementation; mentoring; provision of relevant management skills and knowledge; promotion of a cooperative ethics, resilience; and a commitment to achieving results through monitoring and evaluation procedures for effective programme implementation. This study, therefore, proposes cooperative development as a vehicle specifically for addressing the factors influencing the performance of cooperative development. Therefore, having brought all these gaps from previous researchers, this research seeks to close the gaps.

2.7 Theoretical Framework

There are many challenges that affect the successful functions of cooperative movements that they are unable to achieve their objectives. The main challenges are found within the organizational design of an organization or cooperative as regards management and resource availability. The importance of strategic management in running cooperative management cannot be over- emphasized. Developing a strategic vision which sets critical direction and guides resource allocation within the organization is a key. Crafting strategy, effective implementation, monitoring, evaluating performance and developing corrective interventions where necessary, are some of the critical aspects that can assist cooperatives in creating and maintaining sustainable competitive advantage. The role of the board of directors in the crafting and execution of strategy is also a very important component of corporate governance.

Organizational boards and management teams therefore need to give strategic management in all its facets the attention it deserves for ensuring superior performance in their respective industries.

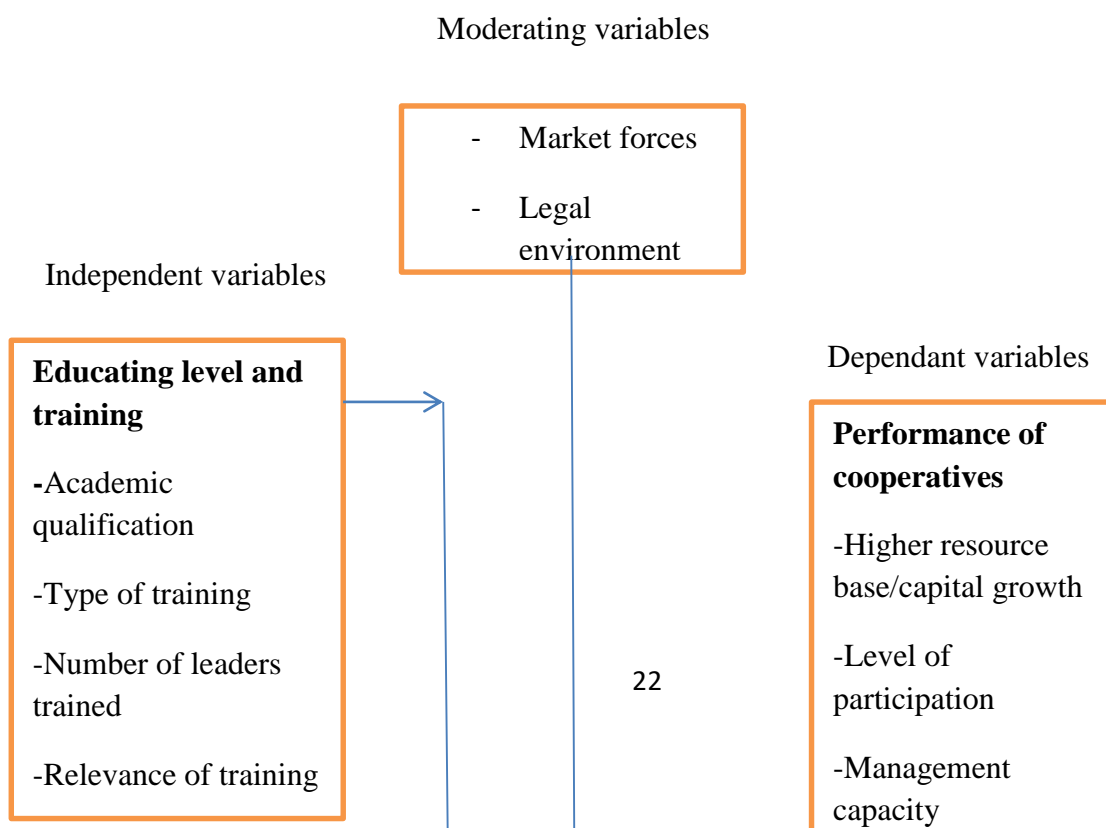
The study was therefore based on the theory of strategic management (Child et al, 2005). It describes a cooperative strategy as an attempt by organizations to realize their objectives through cooperation with other organizations rather than competing with them. This basis is true for individuals who pull their resources together for a competitive edge. The same has been described and discussed by (Henry, A., 2008), he stated that the purpose of a strategy is to enable an organization to achieve a sustainable competitive advantage. He derives a framework that bears a clear analysis of organizations external and internal resource capabilities. This is an indication that source of organizations resources and its managerial capacities are crucial. It is in this respect that a strategy can be seen as vital in the achievement of an organization's goals based on the best managerial practices. A strategy should be made in such a way that allows an organization to efficiently match its resources and capabilities to the needs of the external environment in order to achieve a competitive advantage (Kay, J., 2013). External factors in this case are very important and should be considered in cooperative management for its survival. A strategy cannot be formulated or achieved by one person in any organization (David, C., Stonehouse, G. and Houston, 2009). In his discussion the Mintzberg's 5 Ps strategy (a plan, a ploy, a pattern of behaviour, a position of respect to others and a perspective) suggests some aspect of member participation in the strategy formulation and management.

In this theory of strategic management internal and external analysis has been found to be of paramount importance for the success of any organization. Resources, competencies, products, human resources and culture are very vital in the internal environment. External environmental factors such as competition, demand and supply, substitutes among which pose a threat to the cooperative or organization should be considered in management. The study was therefore to establish and support how this theory brings out the underlying challenges and variables and how they relate to cooperative performance in the study area.

2.8 Conceptual Framework

The conceptual framework for the study on factors influencing performance of Cooperatives is as shown in figure 1. The factors considered in the study includes, education level and training,

level of income and the quality of management. These are the independent variables. Performance is the dependent variable.



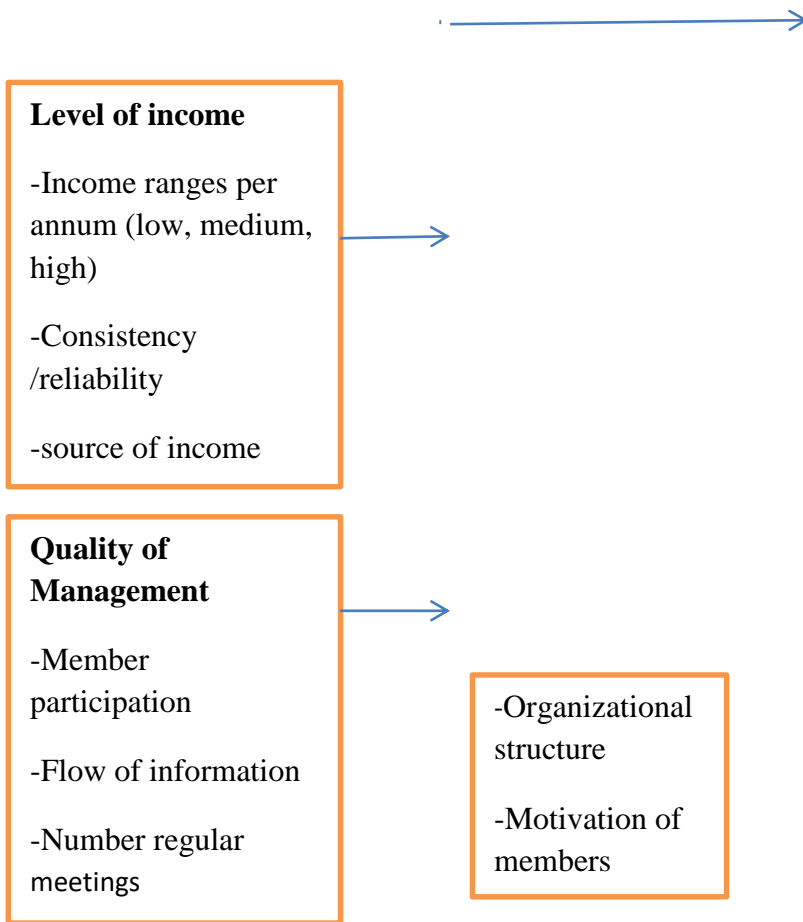


Figure 1: Conceptual framework

The study sought to establish the relationship between the identified variables and performance of cooperative societies in the study area. The variables of concern in this study was, Education level and training of leaders, level of income of members and the quality of management and their influence to performance of cooperatives in the study area.

The Figure.1 shows the conceptualized relationship as these variables being the independent variables and performance as the dependent variable. Education level and training was measured as primary, secondary or post-secondary, type of training attained, number of leaders trained and its relevance. Income levels were established on average income ranges per annum, consistency/reliability of income and the source of income. Quality of management was measured on the member participation, flow of information and number of meetings. Performance was measured on the indicators such as number of meetings since it is a way of sharing information, level of member participation, resource base, management capacity and

socio economic benefits. Performance was described as poor, good, better or best. According to Hansen et al (2012) performance can be assessed based on financial and non-financial indicators such as increased profits and achieved expectations. This follows that achieving the goal that is member derived is the main indicator of performance for cooperative movements.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Overview

This chapter discussed the relevant methodological procedures that were used in data collection and analysis. It contained and described the research design, target population, sample size and sampling procedure, research instruments, pilot testing, validity, reliability, methods of data collection, operational definition of variables and the methods of data analysis.

3.2 Research Design

The study investigated the factors hindering the performance of cooperatives in Nalolo district. The study employed a quantitative analysis involving a descriptive research design. The layout aimed to increase comprehension of the cooperatives' situation in the research domain. A

descriptive research design, according to Cooper and Schindler (2016), aims to pinpoint the what, how, and where of a phenomenon.

3.3 Target Population

The study focussed on the active cooperatives in Nalolo district. This was done with the intention of getting clear information of the situation of each kind of cooperative. In this case the active cooperatives with a total number of 1526 members that formed the population under investigation. These were assumed that shall form the elements with observable characteristics. These are those cooperatives with known address or contact and membership that were provided by the District Cooperative Development Officer.

Table 3: 1 Active Cooperatives in Nalolo district

| Name of Cooperative | Status | Type | Membership |
|----------------------------|---------------|--------------|-------------------|
| Muoyo | Active | Multipurpose | 114 |
| Mwapinduku | Active | Multipurpose | 102 |
| Suu | Active | Multipurpose | 105 |
| Kataba | Active | Multipurpose | 90 |
| Liliachi | Active | Multipurpose | 76 |
| Iyamwa | Active | Multipurpose | 84 |
| Simbule | Active | SACCO | 96 |

| | | | |
|---------------|--------|--------------|-------------|
| Kushembe fumu | Active | Multipurpose | 107 |
| Machapa | Active | Multipurpose | 112 |
| Likulwe | Active | Multipurpose | 141 |
| Litoya | Active | Multipurpose | 119 |
| Nanjucha | Active | SACCO | 104 |
| Litonolo | Active | SACCO | 97 |
| KamuKamu Siti | Active | Multipurpose | 86 |
| TOTAL | | | 1526 |

Source: Nalolo District Annual Report, 2022. (MACO)

3.4 Sample Size and Sampling Procedures

This section provided the method and the procedure of how the number of respondents that were identified out of the population that was engaged in the data collection. The study was purely quantitative.

3.4.1 Sample Size

Sample Size Sample size is the number of respondents to be engaged in data collection, which represents the entire population. According to Borg and Gall (2008) a representative sample should be 20-30% of the population. However the study employed a formula by Mugenda (2008), to identify the sample size from the population as shown below;

Where: n = the sample size

N = the size of the population.

e = acceptable margin of error at 5 % (STD value of 0.05)

Table 3: 2 Sampling Frame for Active Cooperatives

| Name of cooperative | Percentage | Membership | Ratio | Sample size |
|---------------------|--------------|------------|-------|----------------------------|
| Muoyo | Multipurpose | 6.7% | 102 | $102/1526 \times 400=26.7$ |

| | | | | |
|----------------|--------------|-------------|-------------|---------------------|
| Suu | Multipurpose | 7.5% | 114 | 114/1526 x 400=29.9 |
| Kataba | Multipurpose | 6.9% | 105 | 105/1526 x 400=27.5 |
| Liliachi | Multipurpose | 5.9 % | 90 | 90/1526 x 400=23.6 |
| Iyamwa | Multipurpose | 5% | 76 | 76/1526 x 400 =20 |
| Simbule | SACCO | 5.5 % | 84 | 84/1526 x 400 =22 |
| Musindi | Multipurpose | 6.3% | 96 | 96/1526 x 400 =25.2 |
| Machapa | Multipurpose | 7% | 107 | 107/1526 x 400=28 |
| Likulwe | Multipurpose | 7.4 % | 112 | 112/1526 x 400=29.4 |
| Litoya | Multipurpose | 9.3% | 141 | 141/1526 x 400=37 |
| Nanjucha | SACCO | 9.1% | 119 | 139/1526 x 400=36.4 |
| Litonolo | SACCO | 12.1% | 104 | 184/1526 x 40 =48.2 |
| Mwapunduku | SACCO | 10.3 % | 97 | 157/1526 x 400=41.2 |
| Mukukutu | SACCO | 6.1% | 93 | 93/1526 x 400=24.4 |
| Kamu Kamu Siti | Multipurpose | 5.6% | 86 | 86/1526 x 400=22.5 |
| Total | | 100% | 1526 | 400 |

Source: Nalolo District Annual Report, 2022. (MACO)

Sample size is computed as follows;

$$n=1526 \div [1+1526(0.05)^2]$$

$$n=1526/3.8175$$

$$n=400$$

By the use of the formula by Mugenda (2008), with an error of 5% and with a confidence coefficient of 95% the research will engage 400 members as the sample size or number of respondents from the 1526 number of members as the population of active cooperatives. From

the sample size identified from each cooperative one leader of the cooperative was selected purposively as a respondent. Similarly the District Cooperative Development Officer was purposively engaged in the study.

3.4.2 Sampling Procedure

The study started by determining the overall number of cooperatives in the study region; because active cooperatives were few, all the active cooperatives were included in the study. The list of cooperative members from each cooperative society was obtained, and choosing the respondents from each active cooperative, a systematic random sampling was used. The first respondent was chosen at random, and subsequent respondents were identified from lists depending on the relative sample sizes from each cooperative, as shown in Table 3.2.

3.5 Research Instruments

The data was collected, using structured questionnaires and an unstructured interview schedule was used as well. A structured questionnaire was utilised to obtain information from cooperative members and leaders. The questionnaires included both closed-ended and open-ended questions. They were organised in parts in order to collect useful information that was limited to the study's objectives. These sections were based on demographic variables, membership size, education and training level, income level, and management quality. The DCDO of Nalolo district was interviewed using an unstructured interview schedule.

3.5.1 Pilot Testing

The questionnaire was pre-tested in one of the cooperative in the district. A pre-test sample of 1% to 10%, depending on sample size, is recommended by (Mugenda, M.O and Mugenda, A., 2013)). This was done to determine the adequacy of the questionnaires and, as a result, to correct errors and ambiguities in order to ensure relevant and reliable data gathering.

3.5.2 Validity of Instruments

Validity is the degree by which the sample of the test elements is representative of the content that the research will be intended to establish (Borg, W. R., & Gall,E, 2019). Validity of data collection instruments was established before engaging them in the actual process of data collection. A sample questionnaire and interview schedule was prepared and handed over to the experts to check on their suitability. My supervisor in this case had scrutinized the data

collection instruments and offered advice. This further followed corrective and adjustment measures on the data collection instruments to ensure the validity required.

3.5.3 Reliability of Instruments

(Mugenda, M.O and Mugenda, A., 2014), defined Reliability as the degree to which a research instrument produces consistent outcomes or data after repeated trials. The instruments are prepared and tested in two parts (split-half approach) with one cooperative society in Nalolo district, which had the same socioeconomic and environmental circumstances. One section of the questionnaire was delivered to the group, and the replies were scored. The second section of the same questionnaire was then delivered to the same group, and their responses were graded accordingly. The questionnaire was divided into two sections based on the number of odd and even items. The scores were based on the item clarity and the confidence to attempt answering the question by the respondent. 0 and 1 scores were assigned to closed and open questions on the questionnaire.

Then finally an adjusted spearman-brown correlation coefficient was used for calculation. A correlation coefficient between 0.5 and 1.0 will mean that the instrument was reliable. (Mugenda, M.O and Mugenda, A., 2013) suggest that a pre-test sample between 1% and 10% depending on the sample size is suitable. A total of 15 members of one cooperative in Nalolo district were engaged in reliability test. The simplified spearman brown formula below was used to compute the reliability coefficient.

$$r_{SB} = 2r_{hh} / (1+r_{hh})$$

Where; r_{SB} = Spearman brown correlation

r_{hh} = Pearson correlation Coefficient

The established spearman Brown correlation coefficient is 0.7. This is a relatively higher spearman brown correlation coefficient of reliability test. Hence the questionnaire was considered suitable to be used in data collection for the study.

3.6 Data Collection Methods

The study collected data from the designated respondents, who were cooperative members and leaders, using a structured questionnaire. The questionnaires were administered by the researcher through personal visits to the respondents. At district level the researcher began by

requesting authorization from the District Commissioner to conduct research in Nalolo district, and the DCDO was asked to send the introductory letter as well as a list of cooperative leaders and their contact information. The leaders of each cooperative provided the researcher with a list of its members. The first respondent was chosen at random, and other respondents were identified using a systematic random sampling process.

3.7 Data Analysis Techniques

The data collected was quantitative in nature. It was analysed using descriptive statistical techniques. Percentages were used to form the main basis of data analysis for quantitative data. The findings were presented in tables with measures of central tendency (mean) to enable easier interpretation and understanding of the results.

3.8 Operational Definition of Variables

This section of the methodology sought to operationalize independent variables that were measured in the process of the study. These independent variables were derived from the objectives or the factors under investigation. The operational definition of variables is shown and described in Table 3.

Table 3: 3 Operational Definition of variables

| Objectives | Types of variable | Indicator | Tools of analysis | Measurement | Level of scale | Data analysis |
|--|--------------------------|---|--------------------------|---|-----------------------|----------------------|
| i) To assess the effectiveness of education and training of the leaders of the cooperatives. | Independent | -Primary -Secondary -Post secondary | Questionnaire | -Direct measure (e.g. secondary) -Importance of education -Type of training/capacity attained Relevance/importance of training attained -Number of leaders trained -Influence to performance | Nominal | Descriptive |
| ii). To investigate how income levels of members affect | Independent | -Income ranges pa. | Questionnaire | -Direct measure(income range e.g. 10,000-20,000) -Contribution ability | interval | Descriptive |

| | | | | | | |
|-----------------------------|--|--|--|---|--|--|
| the cooperative performance | | | | -Reliability and consistency of contribution. -Source of income -Influence to performance | | |
|-----------------------------|--|--|--|---|--|--|

| | | | | | | |
|--|-------------|---|---------------|---|---------|-------------|
| iii) To investigate how management of cooperatives affect performance of its members | Independent | -Primary -Secondary -Post secondary | Questionnaire | Direct measure (e.g. secondary -Importance of education -Type of training/capacity attained. Relevance/importance of training attained -Number of leaders trained -Influence to performance | Nominal | Descriptive |
|--|-------------|---|---------------|---|---------|-------------|

| | | | | | | |
|---|-----------|--|---------------|--|---------|-------------|
| Performance of cooperatives in Nalolo district. | Dependent | | Questionnaire | -Resource base/capital growth - Level of participation -Frequency or Number of meetings pa. -Management capacity -Socio economic benefits (income growth, improved welfare) | Nominal | Descriptive |
|---|-----------|--|---------------|--|---------|-------------|

3.9 Ethical Issues

Ethics involves considering the best code of conduct when dealing with other people in order to avoid adversely affecting others in the process. To this end, the researcher first requested an official letter from the school, which was then submitted to the Permanent Secretary and District Commissioners respectively to seek authority to carry out the survey in the district. The researcher obtained the consent of the informant and ensured that the information provided was only used for research purposes. Ethics involves considering and taking into account the best code of behaviour when dealing with other people to avoid negative effects on them in the process.

According to Kerridge et al (2005), ethics involves making a judgment about what is right and wrong behaviour. This study involved collection of sensitive information. The researcher first explained to the respondent the purpose of data collection. Then the respondent was requested to voluntarily participate in data collection without coercion. The researcher treated the information collected with utmost propriety and confidentiality. The respondents' decision to disclose or not to disclose certain information was respected. Finally is that the identity of the respondent was concealed since the researcher was not expected to write the names of respondents during questionnaire administration

CHAPTER FOUR

DATA ANALYSIS, PRESENTATION AND INTERPRETATION

4.1 Introduction

This chapter contains data analysis, presentation and interpretation of findings. The goal of the study was to investigate the factors hindering the performance of cooperatives' in Nalolo district. The study's findings are covered in this chapter under the following headings: questionnaire return rate, study subjects' descriptions, factors influencing cooperative performance, specifically member income, leadership training and education levels, and management quality.

4.2 Questionnaire Return Rate

A total of 392 completed and returned questionnaires out of 400 that were created based on the sample size yielded a 98% questionnaire return rate. This was made feasible by the fact that the researcher personally gave out the surveys to the designated respondents. Only eight respondents were unavailable to complete the questionnaire. Over 70% is regarded as a very good response rate, according to (Mugenda, M.O and Mugenda, A., 2013). This suggestion served as the basis for the study's conclusion that a respondent's 98% return rate was excellent and provided a solid foundation for the report.

4.3 Demographic Characteristics of the Respondents

This section discusses the respondent's gender, age and level of education. These attributes were relevant to the study since they have a bearing on the respondent to provide information that is valid, reliable and relevant to the study.

4.3.1 Distribution of the Respondents by Gender

The respondents from cooperatives in Nalolo district were asked to state their gender. The responses are shown in Table 4.1

Table 4. 1: Gender of the Respondents

| Gender of respondent | Frequency | Percentage |
|----------------------|-----------|------------|
| Male | 38 | 9.7 |
| Female | 354 | 90.3 |

| | | |
|--------------|------------|--------------|
| Total | 392 | 100.0 |
|--------------|------------|--------------|

The findings show that majority of the respondents interviewed were female 392(90.3%) while male were 38(9.7%).The study shows that majority of the respondents were female.

4.3.2 Distribution of the Respondents by Age

The respondents were asked to indicate their ages from among choices of age brackets given. The use of these classes minimized the number of individual responses and allowed easy classification and analysis of the information. The age of the respondent has an influence on the ability to engage in production activities of the cooperative. The respondent’s responses are shown in Table 4.2.

Table 4.2: Age of Respondents

| Age of respondent in years | Frequency | Percentage |
|-----------------------------------|------------------|-------------------|
| Less than18 | 18 | 4.6 |
| 18-35 years | 21 | 5.4 |
| 36-40 years | 145 | 37.0 |
| 41- 45 years | 205 | 52.2 |
| 46 and above | 3 | 0.8 |
| Total | 392 | 100.0 |

The results indicate that 205 respondents (52.2%) are between the ages of 41 and 45, while 145 respondents (37%) are between the ages of 36 and 40. Consequently, the study's conclusions indicate that 350 respondents, or 89.2%, are between the ages of 36 and 45. The data suggests that the majority of respondents are middle-aged; making them suited for carrying out productive tasks requiring sound decision-making.

4.3.3 Distribution of the Respondents by their Level of Education

The respondent's education level indicated the amount of formal education they had completed at the time of the survey. When questioned about their greatest degree of education, the respondents provided information, which is displayed in Table 4.3.

Table 4.3: Respondent Level of Education

| Level of education | Frequency | Percentage |
|---------------------------|------------------|-------------------|
| University | 3 | 0.8 |
| College | 83 | 21.2 |
| Secondary | 187 | 47.7 |
| Primary | 119 | 30.3 |
| Total | 392 | 100.00 |

The findings show that all the cooperative members attended school, though majority of members reached secondary level 187 respondents (47.7%). This shows that most respondents are literate, making them eligible for profitable agriculture and commercial operations requiring technological know-how. Table 4.4 presents the primary activities that the respondents were asked to mention.

Table 4.4: Main Activity of the Member

| Main activity | Frequency | Percentage |
|----------------------|------------------|-------------------|
| Farming | 197 | 50.3 |
| Other Businesses | 189 | 48.2 |
| Poultry keeping | 4 | 1.0 |
| Civil servant | 2 | 0.5 |

| | | |
|--------------|------------|--------------|
| Total | 392 | 100.0 |
|--------------|------------|--------------|

The findings show that majority of the respondents interviewed were farmers 197 (50.3%) while those doing other business were 189 (48.2%). This productive activities generate income part of which is invested in the cooperative.

4.4.2 Members and Leaders of Cooperatives

The study discovered that determining the number of participants and leaders in the data gathering process is necessary. This was essential to provide meaningful attribution of certain provided information. That is, information was supposed to be provided only by leaders. As a result, table 4.6 presents the respondents' answers when asked if they consider themselves to be leaders or members.

Table 4.5: Members and Leaders of Cooperatives

| Type of cooperative | Frequency | Percentage |
|----------------------------|------------------|-------------------|
| Members | 328 | 83.7 |
| Leaders | 64 | 16.3 |
| Total | 392 | 100 |

The study shows that majority of the respondents interviewed 328(83.7%) are members while 64 (16.3%) are leaders of the cooperatives.

4.4.3 Period of Membership

The period which members have been in cooperative action was necessary to enable the study conclude on some factors affecting the cooperatives, as well as the best way to treat information from various categories of membership. The respondents were therefore asked to indicate the period they have been a member and their responses are indicated in table 4.7

Table 4.6: Period of Membership

| Period of membership | Frequency | Percentage |
|-----------------------------|------------------|-------------------|
| Less than 1 year | 25 | 6.4 |
| 1-3 years | 251 | 64.0 |
| 4-6 years | 95 | 24.2 |
| More than 7 years | 21 | 5.4 |
| Total | 392 | 100.0 |

The study shows that majority of the respondents interviewed 251(64%) have been a member of the cooperative for 1-3 years while only 21 respondents(5.4%) have been a member for more than seven years. 25 respondents(6.4%) have held these positions for less than one year.95(24.2%) of the respondents have been a member for 4-6 years.

4.4.4 Active and Dormant Cooperatives

Cooperatives may be in operation or not. The study exclusively addressed active cooperatives. To fully comprehend the cooperative situation in the research region, it was crucial to the study to ascertain the members' perceived standing inside the cooperative. Table 4.8 displays the responses provided by the respondents when asked to specify if their cooperative is active or inactive.

Table 4.7: Whether Cooperative is Active or Dormant

| Active or dormant | Frequency | Percentage |
|--------------------------|------------------|-------------------|
| Active | 369 | 94.1 |
| Dormant | 23 | 5.9 |
| Total | 392 | 100.0 |

The study shows that most of the respondents 369(94.1%) perceived that their cooperatives are active while 23 respondents (5.9%) indicated that their cooperatives are dormant.

4.4.5 Length of Time for Active Cooperatives in Operation

Determining how long the active cooperatives had been in operation in the research region was also crucial. This was crucial for comparing cooperatives' present performance and determining if the operating period had any bearing on it. As a result, the respondents were asked how long their cooperative had been in operation. **The results are shown in table 4.9.**

Table 4.8: How Long the Active Cooperatives have been in Operation

| Active cooperatives | Frequency | Percentage |
|----------------------------|------------------|-------------------|
| Below 5 years | 37 | 9.4 |
| 5-10 years | 353 | 90.1 |
| 10-20 years | 2 | 0.5 |
| Total | 392 | 100.0 |

The study shows that most of the respondents 353 (90.1%) indicated the active cooperatives have been active for 5-10 years.

4.4.6 Stage of Joining Cooperatives

The purpose of this sub-theme was to highlight the degree of cooperative development at which the majority of members joined cooperative societies. Cooperative societies admit members at various points in time, from the beginning to the point of maturity and full functioning. In this instance, table 4.10 displays the respondents' responses when asked to specify the point at which they joined their cooperative.

Table 4.9: Stage of Joining Cooperative for Cooperative Members

| Time of joining | Frequency | Percentage |
|------------------------|------------------|-------------------|
|------------------------|------------------|-------------------|

| | | |
|-------------------|------------|--------------|
| At inception | 40 | 10.2 |
| At roll out phase | 249 | 63.5 |
| When operational | 103 | 26.3 |
| Total | 392 | 100.0 |

The findings indicated that most of the respondents 249 (63.5%) joined the cooperatives at the roll out phase while only 40 (10.2%) joined at inception.

4.4.7 Reason for Joining Cooperatives

Members of cooperatives have different reason for joining their cooperatives. Different members may have different aims of joining for instance, a multipurpose. In the instances where the goal of the cooperative is not made explicit to the potential members, the purpose for which the cooperative was formed is vague and leads to collapse of cooperatives. To ascertain this, the respondents were asked to indicate the reason of joining cooperatives and their answers are indicated in Table 4.11

Table 4.11: Reason of Joining the Cooperatives

| Reason of joining | Frequency | Percentage |
|----------------------------------|------------------|-------------------|
| Benefit in collective production | 57 | 14.5 |
| To market produce collectively | 18 | 4.6 |
| To save my earnings easily | 82 | 20.9 |
| To access storage services | 86 | 21.9 |
| To access loans | 141 | 36.0 |
| Any other | 8 | 2.0 |
| Total | 392 | 100.0 |

The results showed that 141 respondents (36.0%) said they joined the cooperatives to get loans, 86 respondents (21.9%) said they joined for storage services, and just 18 respondents (4.6%) said they joined to sell their produce as a group.

4.4.8 Membership Size of Cooperatives

Membership size refers to the number of shareholders in a cooperative society. It was in the interest of the study to establish the exact membership size as in the knowledge of members themselves. The results based on the respondents answer are as indicated in table 4.12.

Table 4.12: Number of Members in the Cooperatives

| Number of members | Frequency | Percentage |
|--------------------------|------------------|-------------------|
| Less than 100 | 38 | 9.7 |
| 101-500 | 14 | 3.6 |
| 501-1000 | 321 | 81.9 |
| Over 1000 | 19 | 4.8 |
| Total | 392 | 100.0 |

The findings indicated that most of the respondents 321 (81.9%) indicated that their cooperatives have 501-1000 members with only 38(9.7%) indicating to have less than 100 members.

4.4.9 Size of Cooperatives Based on Membership

Depending on the number of members, a cooperative might have a small or big membership. The number of members that makes a cooperative society small or large is unknown. Nonetheless, the goal of the study was to ascertain how cooperatives were seen in relation to their membership. This was essential in determining which performance measures were attributed to the perceived size and degree of engagement. As a result, the respondents were asked if the number of members in their cooperative could be regarded as little or large. Table 4.13 shows the responses they provided.

Table 4.13: Whether the Cooperative is Small or Large Based on membership size

| Whether cooperative is large or small | Frequency | Percentage |
|--|------------------|-------------------|
| Small | 350 | 89.3 |
| Large | 42 | 10.7 |
| Total | 392 | 100.0 |

The findings indicated that most of the respondents 350 (89.3%) indicated that the membership size of their cooperative is small as compared to others they know. Only 42 respondents (10.7%) indicated that their cooperatives have large numbers.

4.4.12 Performance of Cooperative

Various indicators may be used to describe the performance of cooperatives. As per Clarke (2010) and Harrington et al. (2010), enhanced product quality, productivity, technological efficiency, service capabilities, and sustained returns are seen as the cooperative's performance metrics. Nonetheless, respondents were asked to characterize their cooperative performance using the best indices that they were aware of; the results are listed in table 4.16.

Table 4.14: Description of Cooperative Performance

| Number of members | Frequency | Percentage |
|--------------------------|------------------|-------------------|
| Good performance | 346 | 88.3 |
| Better performance | 44 | 11.2 |
| Best performance | 1 | 0.3 |
| Poor performance | 1 | 0.3 |
| Total | 392 | 100.0 |

The findings indicated that majority of respondents 346(88.3%) indicated that their cooperatives have good performance, 44 (11.2%) respondents indicated that their cooperatives

have better performance. Only one person (0.3%) indicated that their cooperative is operating at best performance.

4.4.13 Conditions of Membership

Conditions for joining a cooperative vary depending on the cooperative. This might either inspire or demotivate the prospective members. The research concluded that determining the parameters established at the cooperative's founding and their impact on participation. As a result, the respondents were asked to list the prerequisites for joining a cooperative; the results are shown in table 4.17.

Table 4.15: Conditions of Membership

| Number of members | Frequency | Percentage |
|---|------------------|-------------------|
| One must be from the same region | 4 | 1.0 |
| One must be from same ethnic group. | 4 | 1.0 |
| One must be engaged in the same activity. | 15 | 3.8 |
| One must pay some fees initially. | 116 | 29.6 |
| One must pay some fees periodically. | 178 | 45.4 |
| One must adhere to rules and regulations | 75 | 19.1 |
| One must be from the same region. | 4 | 1.0 |
| One must be from same ethnic group. | 4 | 1.0 |
| Total | 392 | 100.0 |

The findings indicated that most respondents 178(45.4%) indicated that they pay some fees periodically to the cooperative while 116(29.6%) pay some fees initially.

4.4.14 Indicators of a Good-Performing Cooperative

Different indicators are used to describe performance of cooperative societies. They are based on the goals and objectives and more so the deliverables of each type of a cooperative. Dess and Robinson (2014) show that economic indicators of performance such as return on capital and growth on sales can be used to measure performance. In this regard the respondents were asked indicate their opinions about indicators of a successful or good performing cooperative, as they apply in their own cooperatives and their answers indicated in table 4.18.

Table 4.16: Indicators of a Successful or Good Performing Cooperative

| Performance indicator | Strongly Disagree | | Disagree | | Neutral | | Agree | | Strongly agree | |
|--|-------------------|----|----------|-----|---------|-----|-------|------|----------------|------|
| | | | | | | | | | | |
| | Freq | % | Freq | % | Freq | % | Freq | % | Freq | % |
| Cooperatives with higher resource base | 0 | 0 | 18 | 4.6 | 39 | 9.9 | 251 | 64.0 | 84 | 21.4 |
| cooperatives with high level of member participation | 0 | 0 | 8 | 2.0 | 27 | 6.9 | 215 | 54.8 | 142 | 36.2 |
| cooperative with good management capacity | 0 | 0 | 9 | 2.3 | 15 | 3.8 | 236 | 60.2 | 132 | 33.7 |
| Cooperatives that organize meetings regularly | 2 | .5 | 8 | 2.0 | 17 | 4.3 | 218 | 55.6 | 147 | 37.5 |

| | | | | | | | | | | |
|---|-----|-----|---|-----|----|-----|-----|------|----|------|
| cooperatives with social economic benefits | 0.4 | 0.1 | 8 | 2.1 | 20 | 5.2 | 184 | 47.1 | 99 | 25.4 |
|---|-----|-----|---|-----|----|-----|-----|------|----|------|

The findings indicated that most of the respondents 239 (61%) agree that their cooperative had a good management, 236 (60.2%) agree that their cooperative organize meetings regularly while 218(55.6%) agree that their cooperative has social economic benefits.

4.4.15 Whether the Cooperative is Successful

According to the study, participants were interested in determining how well their cooperative societies were regarded to be performing based on well-known metrics; the results are shown in table 4.19.

Table 4.19: Whether the Cooperative is Successful

| Whether cooperative is successful | Frequency | Percentage |
|--|------------------|-------------------|
| Yes | 385 | 98.2 |
| No | 7 | 1.8 |
| Total | 392 | 100.0 |

The study show that the cooperatives are successful according to 385 respondents (98.2%) while only 7 respondents indicated that the cooperatives are not successful.

4.4.16 Challenges Facing the Cooperatives

There are many challenges that affect the performance of cooperative societies. Warren and Preston (2007), Kobia (2011), and Anbumani (2007), highlight some of the challenges as weak economic base. This translates into weak financial status of cooperatives. Dishonesty, corruption and fraudulent vices are also challenges facing cooperatives (Anangisye, 2012, p.7).UN-Habitat, (2010), cite insufficient managerial skills to be a challenge to cooperative performance. Widstrand (2010, p.130) shows that political interference as challenge to

cooperative. This background prompted the study to investigate into challenges facing cooperatives in the study area and the responses indicated in table 4.20.

Table 4.20: Challenges Facing the Cooperatives

| Challenges | Frequency | Percentage |
|--------------------------------------|------------------|-------------------|
| Financial problems | 311 | 79.3 |
| Lack of market for produce | 61 | 15.6 |
| Some members don't participate fully | 20 | 5.1 |
| Total | 392 | 100.0 |

The findings indicated that majority of cooperatives have financial challenges as indicated by 311 respondents (79.3%) while 61 respondents (15.6%) indicated lack of market as a challenge. 20 respondents (5.1%) indicated that some members do not participate fully in the cooperative obligations.

4.5 How Education Level and Training of Leaders Influence Performance of Cooperatives.

The performance of cooperative organizations is influenced by training and educational attainment. A person's degree or academic qualifications are referred to as their education level (Daniel, 2009). (Hyden, 2013), asserted that strengthening a leader's ability to function successfully requires training.

4.5.1 Qualities of Good Cooperative Leader

A leader of a cooperative brings its members together to work toward a shared objective. A competent leader has a variety of personal traits, as well as training and education. The goal of the study was to find out what characteristics the participants thought best characterized an effective cooperative leader. The findings are shown in Table 4.21.

Table 4.21: Qualities of a Good Leader

| Qualities | Frequency | Percentage |
|------------------------------|------------------|-------------------|
| Well educated person | 381 | 97.2 |
| Prominent person in the area | 11 | 2.8 |
| Total | 392 | 100.0 |

The findings show that majority of the respondents 381 (97.2%) felt that cooperative leaders should be well educated; however, 11 respondents (2.8%) felt that the leader should be a prominent person.

4.5.2 Whether the Level of Education is Necessary for a Cooperative Leader

This sub-theme was found to be significant by the study. Participants were asked to provide their thoughts on the relationship between education level and cooperative performance. Thus, the question of whether or not a certain degree of education is required for a cooperative leader was put to the respondents. The answers are shown in Table 4.22.

Table 4.22: Whether the Level of Education is Necessary for a Cooperative Leader

| Response | Frequency | Percentage |
|-----------------|------------------|-------------------|
| Yes | 387 | 98.7 |
| No | 5 | 1.3 |
| Total | 392 | 100.0 |

The findings show that 387 respondents (98.7%) felt that the level of education of a cooperative leader is necessary while 5 respondents felt that the level of education is not necessary.

4.5.3 Influence of Educated and Trained Leaders on Performance of Cooperative

Cooperative development organizations have promoted education and training. This would enhance leaders' managerial skills. One factor limiting cooperative growth in underdeveloped nations has been identified as a lack of skilled workforce ((Andreous, 2007). Thus, it was imperative that the study ascertain the impact that leader education and training had on collaborative performance, with the outcomes presented in Table 4.23.

Table 4.23: Influence of Educated and Trained Leaders on Performance of Cooperative

| Statements | Strongly Disagree | | Disagree | | Neutral | | Agree | | Strongly agree | |
|---|-------------------|----|----------|-----|---------|------|-------|------|----------------|------|
| | Freq | % | Freq | % | Freq | % | Freq | % | Freq | % |
| Educated/ trained leaders have good governance skills | 0 | 0 | 0 | 0 | 8 | 2.0 | 244 | 62.2 | 140 | 35.7 |
| Educated/trained leaders have good management skills | 0 | 0 | 0 | 0 | 3 | .8 | 233 | 59.4 | 156 | 39.8 |
| Educated/trained leaders are visionary | 1 | .3 | 2 | .5 | 9 | 2.3 | 250 | 63.8 | 130 | 33.2 |
| Educated/ | 0 | 0 | 28 | 7.1 | 106 | 27.0 | 211 | 53.8 | 47 | 12.0 |

| | | | | | | | | | | |
|---------------------------------------|--|--|--|--|--|--|--|--|--|--|
| trained leaders can be relied o | | | | | | | | | | |
|---------------------------------------|--|--|--|--|--|--|--|--|--|--|

According to the results, the majority of respondents—244 (62.2%), 233 (59.4%), 250 (63.8%), and 211 (53.8%)—felt that well-educated and trained leaders are visionary and possess strong management abilities. Additionally, knowledgeable and skilled leaders can be trusted. One responder (0.3%), however, vehemently disputed that leaders with education are visionary.

4.5.4 Level of Education Recommended for a Cooperative Leader

Educational attainment is optimal for successful leadership performance remained unclear. Based on the members' prior experiences with their leaders, this was formed. Therefore, a follow-up question was sent to the respondents asking what the minimum educational need was for a cooperative leader. Table 4.24 displays the answers.

Table 4.24: Level of Education Recommended for a Cooperative Leader

| Level of education | Frequency | Percentage |
|---------------------------|------------------|-------------------|
| Primary | 17 | 4.3 |
| Secondary | 182 | 46.4 |
| Post-secondary | 193 | 49.3 |
| Total | 392 | 100 |

The findings show that 193 respondents (49.3%) felt that cooperative leaders should be educated up to post-secondary while 182 respondents (46.4%) felt that leaders should be educated up to secondary level. Only 17 respondents (4.3%) felt that leaders should achieve primary education.

Formal or informal education and training should also be provided to members of a cooperative society. The education and training of cooperative members has a direct impact on the success

of cooperatives. Their understanding of cooperative concepts and their own rights in cooperative activities is improved and enhanced as a result ((Chibanda, 2009).

Table 4.25 presents the respondents' responses to a questionnaire regarding their opinions of several cooperative member issues related to education and training.

| Statements | Strongly Disagree | | Disagree | | Neutral | | Agree | | Strongly agree | |
|--|-------------------|---|----------|----|---------|-----|-------|------|----------------|------|
| | Freq | % | Freq | % | Freq | % | Freq | % | Freq | % |
| Educated members clearly understand coop goals | 0 | 0 | 2.8 | .5 | 7 | 1.8 | 244 | 62.2 | 139 | 35.5 |

| | | | | | | | | | | |
|--|---|---|------|-----|----|-----|-----|------|-----|------|
| Educated members participate fully in coop | 0 | 0 | 3.6 | .5 | 7 | 1.8 | 219 | 55.9 | 164 | 41.8 |
| Educated members understand their rights in coop | 0 | 0 | 3.6 | .5 | 7 | 1.8 | 219 | 55.9 | 164 | 41.8 |
| Educated members | 0 | 0 | 31.1 | 1.5 | 12 | 3.1 | 225 | 57.4 | 149 | 38.0 |

| | | | | | | | | | | |
|---------------------------------|---|---|----|-----|----|-----|-----|------|-----|------|
| exert control of their coop | | | | | | | | | | |
| Educated members own their coop | 0 | 0 | 11 | 2.8 | 14 | 3.6 | 245 | 62.5 | 122 | 31.1 |
| Mean | 0 | 0 | 10 | 0.2 | 9 | 2 | 230 | 58 | 147 | 37 |

The findings indicated that most of the respondents 244 (62.2%) felt that educated and trained members clearly understand cooperative goals, 219(55.9%) shows that educated and trained members participate fully in the cooperative, 219 respondents (55.9%) understands their rights in the cooperative, 225(57.4%) exert control over their cooperative and 122(31.1%) own their cooperative.

4.5.6 How Current Performance is influenced by Education Level and Training of Leaders.

The study sought to establish the opinion that cooperative members had on the current performance of their cooperatives in relation to education level and training of their leaders. In this case the respondents were asked to indicate whether education level and training of leaders influence the current performance of their cooperatives. Table 4.26 shows the responses.

Table 4.26: How Current Performance is influenced by Education Level and Training of Leaders

| Influence | Frequency | Percentage |
|--|------------------|-------------------|
| Educated leader manage coop well | 385 | 98.2 |
| Educated leader follow rules and regulations | 4 | 1.0 |
| Untrained leaders have inferiority complex | 3 | .8 |
| Total | 392 | 100.0 |

The findings show that 385 respondents (98.2%) said yes, and further indicated that educated and trained leaders manage the cooperative well. Only a few 4 respondents (1%) indicated that educated leader follow rules and regulations and 3 respondents (0.8%) indicated that untrained leaders have an inferiority complex. They agreed that the current performance is influenced by education level and training. The respondents were further asked whether they have received any training on cooperative. Table 4.27 shows the responses.

Table 4.27: Whether Received Cooperative Training

| Whether received training | Frequency | Percentage |
|----------------------------------|------------------|-------------------|
| Yes | 46 | 11.7 |
| No | 346 | 88.3 |
| Total | 392 | 100 |

The findings show that 346 respondents (88.3%) did not receive any form of cooperative training while 46 respondents (11.7%) received cooperative training that represents number of the leaders trained.

4.5.7 Type of Training Received by Cooperative Leaders

The various cooperatives have distinct needs when it comes to the kind of training that their leaders have received. Numerous training approaches have been used with cooperative leaders, and it has been discovered that these approaches have varied effects on output. In light of this, the leaders who responded were asked to specify the kind of training that cooperative leader had received. Tables 4.28 present the findings.

Table 4.28: Type of Training

| Type of training | Frequency | Percentage |
|-------------------------|------------------|-------------------|
| Coop management | 19 | 4.8 |
| Leadership skills | 17 | 4.3 |

| | | |
|--------------------------------------|------------|------------|
| Coop productivity | 5 | 1.3 |
| Group dynamic and cohesion mechanism | 3 | .8 |
| Not applicable | 348 | 88.8 |
| Total | 392 | 100 |

The findings show that 348 respondents (88.8%) felt that no training influenced performance of cooperative. Others said 19(4.8%) respondents received cooperative management, 17(4.3%) respondents received training on cooperative productivity and 3 respondents (0.8%) received training on group dynamic and cohesion mechanism.

4.5.8 Facilitators of Cooperative Leaders' Training

It was in the interest of the study to establish the facilitators of the trainings received by the cooperative leaders. It emerged that the office of the District Cooperative Development Officer (DCDO), was not the only provider of cooperative training as shown in Table 4.29.

Table 4.29: Facilitators of Cooperative Leaders Training

| Who offered training | Frequency | Percentage |
|-----------------------------------|------------------|-------------------|
| DCDO office | 42 | 10.7 |
| Board of management | 5 | 1.3 |
| Nalolo District Cooperative Union | 3 | .8 |
| NGOs | 198 | 50.5 |
| Not applicable | 144 | 36.7 |
| Total | 392 | 100.0 |

The findings show that of the 198 respondents (50.5%) indicated they received cooperative training from equity bank while 42(10.7%) respondents received training from district cooperative office.

4.5.9 Relevance of Training to Cooperative Leaders

On the relevance of the training to cooperative leaders, it was important to establish how the training received influenced the performance of cooperatives. The results are as indicate in the table 4.30.

Table 4.30: Relevance of Training to Cooperative Leaders

| How training helped them | Frequency | Percentage |
|---------------------------------|------------------|-------------------|
| Increase in membership | 250 | 63.8 |
| Increased returns | 4 | 1.0 |
| Improved management | 41 | 10.5 |
| Growth of coop | 97 | 24.8 |
| Total | 392 | 100 |

The findings show that of the 250 respondents (63.8%) felt that the cooperative training increased membership with 97(24.8) felt that the training led to the growth of cooperative.

4.5.10 Suggestion for Future Training

Establishing training standards should involve both cooperative society leaders and members. As a result, cooperative leaders and members have to be prompted to inform the training service providers of their training requirements. The responders were asked to provide recommendations for upcoming training in light of this. The answers are shown in Table 4.31.

Table 4.31: Suggested Future Trainings

| Suggested training | Frequency | Percentage |
|----------------------------------|------------------|-------------------|
| Training on accountability | 352 | 89.8 |
| Training on financial management | 40 | 10.2 |

55

| | | |
|--------------|------------|--------------|
| Total | 392 | 100.0 |
|--------------|------------|--------------|

The findings show that of the 352 respondents (89.8%) felt that training of cooperative leaders training on accountability is required while 40 respondents (10.2%) felt that leaders should be trained on financial management.

4.6 How the Level of Income of Members Influence the Performance of Cooperative

In every cooperative movement, income is a crucial component, improved member support for cooperative operations results from a steady income stream. Agrawal et al. (2009) claim that member usage and member control are highly correlated with member funds. Therefore, if members' income is steady and durable, cooperatives are maintained in operation.

4.6.1 Main Sources of Income

The source income for members was considered a vital element in the study. This is because the source of income reflects the sustainability in financing of the cooperative societies. Some sources of income are reliable while others are not. With regard to this the respondents were asked to indicate their main sources of income. Table 4.32 shows the responses.

Table 4.32: Main Sources of Income

| Source of income | Frequency | Percentage |
|-------------------------|------------------|-------------------|
| Farming | 283 | 72.2 |
| Business | 70 | 17.9 |
| Salaries and wages | 39 | 9.9 |
| Total | 392 | 100.0 |

The findings show that 283 respondents (72.2%) indicated that they undertake farming while 70 respondents (17.9%) indicated they undertake business activities.

4.6.2 Average Level of Members' Income per Month

The level of income is very important because it influences capital accumulation and hence financing of the cooperatives. (Kimberly and Radel, 2015), support that enough funds and other capital assets are necessary to run a cooperative. The study sought to establish members' levels of income. The results are indicated in Table 4.33.

Table 4.33: Average level of members' Income per month

| Income | Frequency | Percentage |
|-------------------|------------------|-------------------|
| Below 10,000 | 89 | 22.7 |
| K20, 000 - 30,000 | 287 | 73.2 |
| K30, 000 - 50,000 | 11 | 2.8 |
| Above K50, 000 | 5 | 1.3 |
| Total | 392 | 100.0 |

The findings show that of the 287 respondents (73.2%) received monthly income of 10,000 - 30,000 while 89 (22.7%) receive income of less than 10, 000.

4.6.3 Reliability of Income

The source and amount of revenue for members of the cooperative societies determined the dependability of the income. To a greater extent than others, certain revenue streams are recognized as dependable. Those on salaries, for example, perceived their income as steady, in contrast to the farmers in the semi-arid study area. This corresponds to the amount of funding and the overall effectiveness of cooperatives. As a result, the respondents were questioned about their opinions on income reliability. Table 4.34 presents the findings.

Table 4.34: Reliability of Income

| Statements | Strongly Disagree | | Disagree | | Neutral | | Agree | | Strongly agree | |
|-------------------|--------------------------|----------|-----------------|----------|----------------|----------|--------------|----------|-----------------------|----------|
| | Freq | % | Freq | % | Freq | % | Freq | % | Freq | % |
| | | | | | | | | | | |

| | | | | | | | | | | |
|---|---|---|----|-----|----|-----|-----|------|-----|------|
| Reliability of income influence contribution ability | 0 | 0 | 2 | 5 | 4 | 1.0 | 320 | 81.6 | 66 | 16.8 |
| Reliability of income influence member participation | 0 | 0 | 3 | .8 | 6 | 1.5 | 313 | 79.8 | 70 | 17.9 |
| Reliability of income influence member participation | 0 | 0 | -3 | .8 | 21 | 5.4 | 239 | 61.0 | 129 | 32.9 |
| Reliability of income influence control | 0 | 0 | .3 | 1.8 | 23 | 5.9 | 207 | 52.8 | 155 | 39.5 |
| Reliability influence continuity of cooperative | 0 | 0 | 1 | 3 | .3 | .3 | 17 | 4.3 | 251 | 64.0 |
| Reliability and consistency of contribution influence performance | 0 | 0 | 3 | .8 | 14 | 3.6 | 243 | 62.0 | 132 | 33.7 |

| | | | | | | | | | | |
|------|---|---|-----|-----|----|-----|-----|----|-----|----|
| Mean | 0 | 0 | 1.6 | 0.4 | 11 | 2.8 | 223 | 56 | 133 | 33 |
|------|---|---|-----|-----|----|-----|-----|----|-----|----|

The findings show that of the 320 respondents (81.6%) agree that reliability of income influences contribution ability, 313 respondents (79.8%) agree that reliability of income influences member participation, 269 respondents (61%) agree that reliability of income influences consistency of contribution, 207 respondents (52.8%) agree that reliability of income influences control, 243 respondents (62%) agree that reliability and consistency of contribution influence performance while 251 (64%) that reliability influences continuity of cooperative.

4.6.4 Influence of the Level of Income on Performance of Cooperatives

The level of income influences the performance of cooperatives in various ways. Lower levels of income leads to lower resource accumulation for example, in deposit takings such as in the Savings and Credit Cooperatives (SACCOs). Average to higher levels of income is favourable in adequately financing the activities of a cooperative society and hence higher resource accumulation. To asses this, the respondents were asked to indicate their opinion on how level of income influence performance of cooperatives. Table 4.35 shows the responses.

Table 4.35: Influence of the Level of income on Performance of Cooperatives

| Statements | Strongly Disagree | | Disagree | | Neutral | | Agree | | Strongly agree | |
|---|-------------------|---|----------|-----|---------|-----|-------|------|----------------|------|
| | Freq | % | Freq | % | Freq | % | Freq | % | Freq | % |
| Level of income influences contribution ability | 0 | 0 | 0 | 0 | 7 | 1.8 | 252 | 64.3 | 133 | 33.9 |
| Higher level of incomes | 0 | 0 | 8 | 2.0 | 14 | 3.6 | 249 | 63.5 | 121 | 30.9 |

| | | | | | | | | | | |
|---|------------|------------|----------|------------|-----------|----------|------------|-------------|------------|-----------|
| leads to higher resource base | | | | | | | | | | |
| Lower level of income leads to lower resource base | 0 | 0 | 9 | 2.3 | 8 | 2.0 | 241 | 61.5 | 134 | 34.2 |
| Level of income influences the financing of cooperative | 1 | .3 | 1 | .3 | 21 | 5.4 | 247 | 63.0 | 122 | 31.1 |
| Level of income influences membership of cooperative | 0 | 0 | 13 | 3.3 | 2.9 | 7.4 | 234 | 59.7 | 116 | 29.6 |
| Source of income influences performance of cooperative | 0 | 0 | 3 | 8 | 19 | 4.8 | 242 | 61.7 | 128 | 32.7 |
| Mean | 0.1 | 0.2 | 5 | 1.2 | 16 | 4 | 244 | 62.2 | 125 | 31 |

The findings show that of the 252 respondents (64.3%) agree that level of income influences contribution ability, 249 respondents(63.5%) agree that high level of income leads to higher resource base, 241 respondents(61.5%) agree that lower level of income leads to lower resource base, 247 respondents(63%) agree that level of income influences the financing of cooperative, 234 respondents(59.7%) agree that level of income influences membership of cooperative and 242 respondents(61.7%) agree that source of income influences the performance of cooperative.

4.7 How the Quality of Management Influence Performance of Cooperatives

The performance of cooperatives to a greater extent is dependent on management. This is because management puts other factors of production into use in order to produce the desired ends. (Widstrand, 2011) , argues that the cause of effective or ineffective performance is to greater extent assumed to be good or bad management. According to (Goff, 2011), the quality of management is based on the quality of elected board. This follows that the quality of management would go a long way into the activity and the process management for the entire achievement of the set goals. Quality management of cooperatives therefore influences the performance of cooperatives.

4.7.1 Types of Management Bodies

Cooperatives have many management bodies. This is contingent upon the nature and scope of various cooperatives' operations. As a result, the study concluded that it was essential to identify the different styles of management and leadership that are used to oversee the cooperative's operations. The respondents were asked to identify the organization that oversees the cooperative on their behalf in order to determine this. The answers are shown in Table 4.36.

Table 4.36: Types of Management Bodies

| Manages on behalf | Frequency | Percentage |
|--------------------------|------------------|-------------------|
| Elected leaders | 387 | 98.7 |
| Board of directors | 5 | 1.3 |
| Total | 392 | 100.0 |

The findings show that of the 387 respondents (98.7%) indicated that the cooperatives are managed by elected leaders and 5 respondents (1.3%) indicated that the cooperatives are managed by board of directors.

4.7.2 Members' Participation in Election of Leaders

The leaders of a cooperative society are democratically elected. The essential principle, democratic member control, confirms that all members have equal voting rights, (MoDM, 2008). It also guides that elections are conducted on one member one vote basis. The study investigated into the member participation in elections and the results indicated in Table 4.37.

Table 4.37: Members' Participation in Election of Leaders

| Participated in elections | Frequency | Percentage |
|----------------------------------|------------------|-------------------|
| Yes | 391 | 99.7 |
| No | 1 | 0.3 |
| Total | 392 | 100.0 |

The findings show that 391 respondents (99.7%) indicated that they are involved in election of leaders while only one person (0.3%) indicated that s/he is not involved.

4.7.3 Frequency of Elections

The study sought to establish the frequency with which members are called for election meetings. The respondents were therefore asked to indicate how often their cooperatives call for elections. Table 4.38 shows the responses.

Table 4.38: Frequency of Elections

| Frequency of elections | Frequency | Percentage |
|-------------------------------|------------------|-------------------|
| Once a year | 371 | 94.6 |

| | | |
|---------------------|------------|--------------|
| Once in three years | 21 | 5.4 |
| Total | 392 | 100.0 |

The findings show that 371 respondents (94.6%) felt that elections are called once every year while 21 respondents (5.4 %) said elections are called once in three years.

4.7.4 Attributes of a Successful Cooperative Society

There are many features that describe a successful cooperative society. According to (Hansen,M.H, J.LMorrow, Juanl and Batitsa, , 2002), performance can be assessed based on financial and non-financial indicators such as increased profits and achieved expectations. The respondents' opinion based on this issue led to the results indicated in Table 4.39

Table 4.39: Attributes of a Successful Cooperative

| Statements | Strongly Disagree | | Disagree | | Neutral | | Agree | | Strongly agree | |
|--|-------------------|---|----------|----|---------|-----|----------|------|----------------|------|
| | Fre q | % | Fre q | % | Freq | % | Fre q | % | Freq | % |
| Successful performanc e coop has high level of ability to hold more meetings in a year | 0 | 0 | 1 | .3 | 6 | 1.5 | 244 | 62.2 | 139 | 35.5 |
| Successful performanc e coop meet member's | 0 | 0 | 3 | .8 | 16 | 4.1 | 244 | 62.2 | 129 | 32.9 |

| | | | | | | | | | | |
|---|---|-----|---|-----|----|-----|-----|------|-----|------|
| expectations | | | | | | | | | | |
| Successful performance coop higher extent of achieving set objectives | 2 | .5 | 2 | .5 | 23 | 5.9 | 228 | 58.2 | 137 | 34.9 |
| Successful performance coop has high level of member participation | 2 | .5 | 1 | .3 | 6 | 1.5 | 244 | 62.2 | 139 | 35.5 |
| Successful performance coop has large resource base | 3 | .8 | 0 | 0 | 0 | 0 | 243 | 62.0 | 146 | 37.2 |
| Successful performance coop has higher management capacity | 0 | 0 | 0 | 0 | 12 | 3.1 | 252 | 64.3 | 128 | 32.7 |
| Mean | 1 | 0.3 | 1 | 0.3 | 11 | 2.8 | 242 | 61.7 | 136 | 34.7 |

The findings show that of the 244 respondents (62.2%) agree that successful cooperatives have the ability to hold more meetings in a year, 244 respondents (62.2%) agree that successful cooperatives meet members expectations, 228 respondents (58.2%) agree that successful cooperatives have higher extent of achieving set objectives, 244 respondents (62.2%) agree that successful cooperatives have high level of member participation.243 respondents (62.0%) agree that successful cooperatives have large resource base, and 252 respondents (64.3%) agree that successful cooperatives have higher level of management capacity.

4.7.5 Rating of the Performance of Cooperatives

The performance of cooperatives can be rated differently. Members of the cooperative were expected to rate their cooperatives from good to best limited by some indicators stated in Table 4.40.The results are as indicated in Table 4.40.

Table 4.40: Cooperative Performance Good to Best Rating

| Good to best | Frequency | Percentage |
|----------------------------------|------------------|-------------------|
| Ability to hold regular meetings | 1 | .3 |
| Due to member satisfaction | 8 | 2.0 |
| Achieving goals | 54 | 13.8 |
| Member participation | 205 | 52.3 |
| Due to good member contribution | 100 | 25.5 |
| Due to good management ability | 24 | 6.1 |
| Total | 392 | 100 |

The findings show that of the 205 respondents (52.3%) indicated that the cooperative is good to best because of members participation but only one person(0.3%) indicated that the cooperative is good to best because it has the ability to hold regular meetings.

4.7.6 Causes of Poor Performance of Cooperatives

There are many factors which influence poor performance of cooperatives. (Kobia, S.K. , 2011), points out that weak ethics are challenges that lead to poor corporate governance. Poor governance translates into poor performance. Control problems and divergence of interests could also lead to poor performance (King and Ortmann, 2008).The results of the findings also indicated more of the causes of poor performance of cooperatives as indicated in Table 4.41.

Table 4.41: Causes of Poor Performance of Cooperatives

| Poor cooperative | Frequency | Percentage |
|----------------------------------|------------------|-------------------|
| Due to few meetings | 9 | 2.3 |
| Due to lack of satisfaction | 16 | 4.1 |
| Due to lack of goal achievement | 40 | 10.2 |
| Due to poor member participation | 213 | 54.3 |
| Due to poor member contribution | 105 | 9 |
| Due to poor management | 26.8 | 2.4 |
| Total | 392 | 100 |

The findings show that of the 213 respondents (54.3%) felt that cooperatives are poor because of poor member participation. 105 (26.8%) had the feeling that cooperatives are poor due to poor member contribution while the other indicators had very low member opinions.

4.7.7 Number of meetings held in a year

The ability hold meetings especially annual general meeting by cooperatives was considered a success indicator by the DCDO. It was therefore the concern of the study to identify the number of meetings organized by the cooperatives in a year. The respondents gave the following responses as indicated in Table 4.42 show the responses.

Table 4.42: Number of meetings held in a year

| Number of meetings | Frequency | Percentage |
|---------------------------|------------------|-------------------|
|---------------------------|------------------|-------------------|

| | | |
|--------------|------------|--------------|
| Nil | 22 | 5.6 |
| 1-2 | 28 | 7.1 |
| 3-4 | 28 | 7.1 |
| 5-6 | 204 | 52.0 |
| More than 6 | 110 | 28.1 |
| Total | 392 | 100.0 |

The findings show that of the 204 respondents (52.0%) felt that cooperatives hold 5-6 meetings per year and only 110 respondents (28.1%) indicated that their cooperative hold more than 6 meetings.

4.7.8 Types of Meetings Held by Cooperatives

Various meetings can be held by cooperatives as need arises. However it a policy of cooperative movements in Zambia that cooperatives organize for annual general meeting (MoCDM,2008).The sought moreover to establish any other type of meeting organized cooperatives in a year, alongside annual general meeting. The results are as indicated in Table 4.43.

Table 4.43: Types of Meeting Held

| Level of meeting | Frequency | Percentage |
|--------------------------|------------------|-------------------|
| Annual general meeting, | 22 | 5.7 |
| Special general meeting, | 46 | 11.7 |
| Review meeting | 15 | 3.8 |
| Election meeting | 299 | 78.9 |
| Total | 392 | 100.0 |

The findings show that of the 299 respondents (78.9%) attend election meetings while 22 respondents (5.7%) indicated that they attend annual general meetings, 46(11.7%) special general meetings and 15(3.8%) show that review meetings are held.

4.7.9 Description of Good Management of Cooperatives

Effective management is a crucial component of collaborative performance achievement. The study was interested in finding out what words cooperative members use to characterize effective management. In order to address this issue, the respondents were asked for their thoughts on the best way to characterize cooperative excellent management. The outcomes are displayed in Table 4.44.

Table 4.44: How one Can Describe Good Management of Cooperatives

| Good management | Frequency | Percentage |
|--|------------------|-------------------|
| One whose leaders are educated and trained | 28 | 7.1 |
| Meets members expectations/goals | 331 | 84.4 |
| Organize AGMs | 14 | 3.6 |
| One which is impartial | 19 | 4.8 |
| Total | 392 | 100.0 |

The findings indicates that of the 331 respondents (84.4%) described that a good cooperative is the one which meets members' expectations and goals.

4.7.10 Spearman's correlation tests

The spearman's correlation tests will be used to analyse the scores of variables, which calculated all the objectives of the study.

The Spearman's correlation coefficient is a technique which can be used to summarise the strength and direction (negative or positive) of a relationship between two variables (Barcelona Field Studies Centre, 2018). Moreover, it is denoted by the symbol r_s (or the Greek letter ρ , pronounced rho). In addition, the result will be between one and minus one. A positive

correlation coefficient indicates a positive relationship between the two variables (as the value of one variable increases; the value of the other variable also increase); while a negative correlation coefficient expresses a negative relationship (as the values of one variable increases; the value of the other variable decrease). A correlation coefficient of zero indicates that no relationship exists between the variables. However, correlation coefficients like Spearman and Pearson assume a linear relationship between variables. Even if the correlation coefficient is zero, a non-linear relationship might exist (Statistics Solutions , n.d.).

The strength of the correlation is described in terms of the total value of rs, which is:

- 0.00-0.19 – very weak;
- 0.20-0.39 – weak;
- 0.40-0.59 – moderate;
- 0.60-0.79 – strong; and
- 0.8-1.0 – very strong.

The results stipulate the following outlines: positive values show a direct relative connection between the variables and a negative value shows an opposite connection

4.7.11 Correlation between annual income and operational performance

Table 4-47 presents and analyses the results of the correlation between the statements on the annual income of co-operatives and operational performance.

Table 4-47: Correlation between annual income and operational performance

| Spearman's rho | | Income |
|---|-----------------------------------|--------|
| Co-operative members understand the objectives of the enterprise. | Correlation | -.165 |
| | Coefficient Sig. (2 - tailed) | .056 |
| | N | 135 |
| Co-operative management monitors the operational performance of the enterprise. | Correlation | -.114 |
| | Coefficient Sig. (2 - tailed) | .191 |
| | N | 132 |

| | | |
|---|---|----------------------|
| Management practices affect the operational performance of the co-operative. | Correlation Coefficient Sig. (2 - tailed) N | -119 .176 131 |
| Management skills remain the key determinants of cooperative performance. | Correlation Coefficient Sig. (2 - tailed) N | -.283 .001 133 |
| Boards of directors are ultimately responsible for the success or failure of the cooperative. | Correlation Coefficient Sig. (2 - tailed) N | -.082 .344 134 |
| Accesses to resources contribute to the operational performance of the co-operative. | Correlation Coefficient Sig. (2 - tailed) N | .009 .920 132 |
| Co-operative performance is enhanced by the use of teamwork. | Correlation Coefficient Sig. (2 - tailed) N | .001 .992 135 |
| The members of the cooperative provide input into the operational issues of the enterprise. | Correlation Coefficient Sig. (2 - tailed) N | .007 .936 134 |
| Co-operative team members are dependent on each other for the | Correlation Coefficient Sig. (2 - tailed) | .112 .197 134 |

| | | |
|---|---|---------------------|
| performance of the enterprise. | N | |
| Co-operative team members have a shared understanding of how the team operates. | Correlation Coefficient Sig. (2 - tailed) N | .349 .000 134 |
| Co-operative members resolve their conflicts, even when the conflicts have become personal. | Correlation Coefficient Sig. (2 - tailed) N | .021 .808 134 |
| Technical skills affect the operational performance of the enterprise. | Correlation Coefficient Sig. (2 - tailed) N | .172 .047 134 |
| Training programmes are accessible to cooperatives. | Correlation Coefficient Sig. (2 - tailed) N | .004 .962 134 |
| Employees have knowledge of productive processes relevant to their field of work. | Correlation Coefficient Sig. (2 - tailed) N | .046 .596 135 |
| Employees are knowledgeable of the enterprise's production processes | Correlation Coefficient Sig. (2 - tailed) N | .019 .827 134 |

| | | |
|---|---|----------------------|
| Technical skills contribute to tensions in the co-operative | Correlation Coefficient Sig. (2 - tailed) N | -.059 .495 135 |
| Technical skills contribute to the chances of success of the enterprise | Correlation Coefficient Sig. (2 - tailed) N | -.112 .202 132 |
| Motivated employees promote the operational performance of the enterprise | Correlation Coefficient Sig. (2 - tailed) N | .072 .385 132 |
| The strength of a cooperative originates from the commitment of its members | Correlation Coefficient Sig. (2 - tailed) N | .088 .308 135 |
| Involving teams in the organisation contributes to improved productivity | Correlation Coefficient Sig. (2 - tailed) N | .076 .385 382 |
| The greater the number of co-operative members results to the potential to cause conflict amongst the members | Correlation Coefficient Sig. (2 - tailed) N | .088 .308 135 |
| Access to training is a constraint to the operational | Correlation Coefficient Sig. (2 - tailed) | .003 .975 |

| | | |
|--------------------------------|---|-----|
| performance of the cooperative | N | 133 |
|--------------------------------|---|-----|

A correlation (*) is significant at the 0.05 level (2-tailed). A correlation (**) is significant at the 0.01 level (2tailed).

As shown in Table 4-47:

a) The following operational variables for co-operatives do not have a statistically significant relationship with income. The p-values for these variables are more than the standard statistical value of 0.05. These include members' understanding of objectives of the enterprise at a p-value of 0.930; monitoring of co-operative operational performance by management at a p-value of 0.25; management practices in relation to its effects on operational performance at a p-value of 0.176; board of directors' responsibility for the success or failure of the co-operative at a p-value of 0.344; access to resources in relation to the operational performance of the co-operative at a p-value of 0.920; team-work enhance the performance of the co-operative at a p-value of 0.992; members' input on operational issues at a p-value of 0.936; team members' dependent on each other for performance at a p-value of 0.197; co-operative members' shared understanding on how team operates at a p-value of 0.135; technical skills' effects on the operational performance at a p-value of 0.808; accessibility of training programmes at a p-value of 0.47; employees' knowledge of productive processes relevant to their field of work at a p-value of 0.962; employees' knowledge of the enterprise's production processes at a p-value of 0.596; tensions caused by the technical skills' at a p-value of 0.827; technical skills' contribution to the chances of success at a p-value of 0.795; promotion of operational performance by motivated employees at a p-value of 0.495; strength of the co-operative originates from the commitment of its members' at a p-value of 0.202; involvement of teams contributes to improving productivity at a p-value of 0.385; the greater the numbers of co-operative members results in the potential to cause conflict amongst members at a p-value of 0.308; and access to training is a constraint to the operational performance of the co-operative at a p-value of 0.975.

b) A negative correlation exists between management skills and income at a significant coefficient r- value of -0.283. The two variables have a p-value of 0.01, which is less than 0.05. This indicates a weak correlation between variables, which signifies that management skills are a significant factor in improving operational performance.

c) A positive correlation between co-operative members in resolving their conflict and income had a significant coefficient r - value of 0.349. The two variables have a p -value of 0.00, which is less than 0.05. This indicates a weak correlation between variables, which signifies that resolving conflicts is a significant factor in improving operational performance.

4.8 Summary of the Chapter

The data collected was analysed using Statistical Package for Social Sciences and tables were used to present data in APA table format. The response rate was 98% (392 questionnaires) since 400 questionnaires were given out and majority of the respondents interviewed being female 354(90.3%). Age bracket of 41-45 years, 205 respondents(52.2%) was the majority. 187 respondents(47.7%) as the majority had secondary level of education as their highest level. Correlation between annual income and operational performance indicated that management skills are a significant factor in improving operational performance. Moreover, resolving conflicts is a significant factor in improving operational performance

The data interpretation focused on the factors influencing performance of cooperatives namely; education level and training of leaders, the level of income of members and the quality of management of cooperatives. This study shows that, education level and training of leaders, level of income of members and the quality of cooperatives had substantial influence on performance.

CHAPTER FIVE

SUMMARY OF FINDINGS, DISCUSSIONS, CONCLUSIONS AND RECOMMENDATIONS

5.1 Overview

This chapter focused on the summary of findings of the study which formed the foundation for discussions. The discussions provided a firm basis upon which conclusions and recommendations were advanced to address the factors hindering the performance of cooperatives in Nalolo district. It also includes suggested areas for further research and contributions made to the body of knowledge.

5.2 Summary of the Findings

This section highlights the review of the findings. The summary of findings is presented based on the three objectives of the study with regards to, education level and training, level of income, and quality of management, to their influence to performance of cooperatives in Nalolo district.

5.2.1 Influence of Education Level and Training on the Performance of Cooperatives

The findings show that majority of the respondents 381 (97.2%) felt that cooperative leaders should be well educated; however, 11 respondents (2.8%) felt that the leader should be a prominent person. The study also shows that 387 respondents (98.7%) felt that the level of education of a cooperative leader is necessary while 5 respondents felt that the level of education is not necessary. The findings indicated that most of the respondents 244 (62.2%) felt that educated leaders have good governance skills ,233 respondents (59.4%) felt that educated leaders have good management skills,250respondents (63.8%) felt that educated leaders are visionary while 211 respondents (53.8%) felt that educated leaders can be relied on. However 1 respondent (0.3%) strongly disagreed that educated leaders are visionary. The findings show that 193 respondents (49.3%) felt that cooperative leaders should be educated

up to post-secondary while 182 respondents (46.4%) felt that leaders should be educated up to secondary level. Only 17 respondents (4.3%) felt that leaders should achieve primary education.

The findings indicated that most of the respondents 244 (62.2%) felt that educated and trained members clearly understand cooperative goals, 219(55.9) agree that educated and trained members participate fully in the cooperative, 219 respondents (55.9%) understands their rights in the cooperative, 225(57.4%) exert control over their cooperative and 122(31.1%) strongly agree to own their cooperative. The findings show that 385 respondents (98.2%) felt that education level and training influenced performance of cooperative. It furthers how that of the 385 respondents (98.2%) indicated that educated leaders cooperate well but 3 respondents (0.8%) indicated that untrained leaders have inferiority complex.

The findings show that 346 respondents (88.3%) did not receive any form of cooperative training while 46 respondents (11.7%), who are leaders, received cooperative training. Others said 19(4.8%) respondents received training in cooperative management, 17(4.3%) respondents received training on cooperative productivity and 3 respondents (0.8%) received training on group dynamic and cohesion mechanism. The findings show that of the 198 respondents (50.5%) indicated they received cooperative training from equity bank while 42(10.7%) respondents received training from district cooperative office. The findings show that of the 250 respondents (63.8%) felt that the cooperative training led to increased membership with 97(24.8) felt that the training led to the growth of cooperative. The findings show that of the 352 respondents (89.8%) felt that for capacity building or training of cooperative leaders, training on accountability is required while 40 respondents (10.2%) felt that leaders should be trained on financial management.

5.2.2 Influence of Level of Income of Members on the Performance of Cooperatives

The cooperatives are kept active if the members' level of income is sustainable. The findings indicates that of the 283 respondents (72.2%) indicated that they undertake farming while 70 respondents (17.9%) indicated they undertake business activities. The findings show that of the 287 respondents (73.2%) received monthly income of K10, 000 - K30, 000 while 89(22.7%) receive income of less than K10, 000. The findings show that 320 respondents (81.6%) agree that reliability of income influences contribution ability, 313 respondents (79.8%) agree that reliability of income influences member participation, 239 respondents (61%) agree that reliability of income influences consistency of contribution, 207 respondents (52.8%) agree that reliability of income influences control, 243 respondents (62%) agree that reliability and

consistency of contribution influence performance while 251 (64%) that reliability influences continuity of cooperative. The findings show that 252 respondents (64.3%) agree that level of income influences contribution ability, 249 respondents (63.5%) agree that high level of income leads to higher resource base, 241 respondents (61.5%) agree that lower level of income leads to lower resource base, 247 respondents(63%) agree that level of income influences the financing of cooperative, 234 respondents(59.7%) agree that level of income influences membership of cooperative and 242 respondents(61.7%) agree that source of income influences the performance of cooperative.

5.2.3 Influence of the Quality of Management on the Performance of Cooperatives

The summary of the findings based on the objective which was to assess how the quality of management influences performance of cooperatives. Quality management of cooperatives influences the performance of cooperatives. The findings show that of the 387 respondents (98.7%) indicated that the cooperatives are managed by elected leaders and 5 respondents (1.3%) indicated that the cooperatives are managed by board of directors. The findings show that 391 respondents (99.7%) indicated that they are involved in election of leaders. The findings show that 371 respondents (94.6%) felt that elections are called once every year while 21 respondents (5.4%) said that elections are called once in three years.

The findings show that 244 respondents (62.2%) agree that successful cooperatives have the ability to hold more meetings in a year, 244 respondents (62.2%) agree that successful cooperatives meet member's expectations, 228 respondents (58.2%) agree that successful cooperatives have higher extent of achieving set objectives, 244 respondents (62.2%) agree that successful cooperatives have high level of member participation. 243 respondents (62.0%) agree that successful cooperatives have large resource base and 252 respondents (64.3%) agree that successful cooperatives have higher management capacity. The findings show that 205 respondents (52.3%) indicated that the cooperative is good to best because of members' participation.

The findings show that 213 respondents (54.3%) felt that cooperatives are poor because of poor member participation. The findings show that 204 respondents (52.0%) felt that cooperatives hold 5-6 meetings per year. The findings show that 299 respondents (78.9%) attend election meetings while 22 respondents (5.7%) indicated that they attend annual general meetings, 46(11.7%) special meetings and 15(3.8%) review meetings. The findings show that the 331

respondents (84.4%) described that a good cooperative one which meets members' expectations and goals.

5.3 Discussions

A discussion of findings of the study is presented based on the three objectives of the study.

5.3.1 Influence of Education Level and Training on the Performance of Cooperatives

The findings show that majority of the respondents 381 (97.2%) felt that cooperative leaders should be well educated. The findings show that 387 respondents (98.7%) felt that the level of education of a cooperative leader is necessary while 5 respondents felt that the level of education is not necessary.

The findings indicated that most of the respondents 244 (62.2%) felt that educated leaders have good governance skills ,233 respondents (59.4%) felt that educated leaders have good management skills,250respondents (63.8%) felt that educated leaders are visionary while 211 respondents (53.8%) felt that educated leaders can be relied on. However 1 respondent (0.3%) strongly disagreed that educated leaders are visionary. This agrees with Thomas and Daniel (2009) who indicated that education has been and is an important prerequisite in organizational leadership and management. Education level refers to academic credentials or degree an individual has obtained.

The findings show that 193 respondents (49.3%) felt that cooperative leaders should be educated up to post-secondary while 182 respondents (46.4%) felt that leaders should be educated up to secondary level. The findings indicated that most of the respondents 244 (62.2%) felt that trained members clearly understand cooperative goals; trained members participate fully in the cooperative. This agrees with (Chibanda, 2009), who pointed out that the performance of cooperatives depends on education and training of cooperative members and enhancing their knowledge of cooperative principles and member's rights. Education and training in this case is geared towards improving member participation and understanding of cooperative management activities even if managed by a separate body. 219 respondents (55.9%) indicated that trained members understand their rights in the cooperative, 225(57.4%)

exert control over their cooperative and 122(31.1%) own their cooperative. This collaborates study by (Andreous, 2007), who pointed out that the main constraint to cooperative expansion in the developing countries is the lack of trained personnel at all levels. Cooperative education and training should therefore be emphasized to improve on their performance. The findings show that of the 385 respondents (98.2%) indicated that level of education and training influence performance and the same said that educated leaders cooperate well. The findings show that 346 respondents (88.3%) did not receive any form of cooperative training while 46 respondents (11.7%), who are leaders, received cooperative training. This agrees with report by (Hyden, 2013), who stated that training depends on the education level of the workforce. According to (Hyden, 2013), training of leaders is essential in improving the capacity to perform well. Others said 19(4.8%) respondents received training in cooperative management, 17(4.3%) respondents received training on cooperative productivity and 3 respondents (0.8%) received training on group dynamic and cohesion mechanism.

The findings show 198 respondents (50.5%) indicated they received cooperative training from equity bank while 42(10.7%) respondents received training from district cooperative office. The findings show 193 respondents (49.3%) felt that cooperative leaders should be educated up to post-secondary while 182 respondents (46.4%) felt that leaders should be educated up to secondary level. Only 17 respondents (4.3%) felt that leaders should achieve primary education. The findings show that of the 250 respondents (63.8%) felt that the cooperative training increased membership with 97(24.8) feeling that the training led to the growth of cooperative. The findings show that 352 respondents (89.8%) felt that for capacity building, training of cooperative leader's accountability is required while 40 respondents (10.2%) felt that leaders should be trained on financial management.

5.3.2 Influence of Level of Income of Members on the Performance of Cooperative

The cooperatives are kept active if the members' level of income is sustainable. The findings show that 283 respondents (72.2%) indicated that they undertake farming while 70 respondents (17.9%) indicated they undertake business activities. The findings show that of the 287 respondents (73.2%) received monthly income of K10, 000 - K30, 000 while 89(22.7%) receive income of less than K10, 000. The findings show that 320 respondents (81.6%) agree that reliability of income influences contribution ability, 313 respondents (79.8%) agree that reliability of income influences member participation, 239 respondents (61%) agree that reliability of income influences consistency of contribution, 207 respondents (52.8%) agree

that reliability of income influences control, 243 respondents (62%) agree that reliability and consistency of contribution influence performance while 251 (64%) that reliability influences continuity of cooperative. This collaborates study by Agrawal et al (2002), who stated member funds were found to be significantly associated with member-control and member-usage which implies good performance of cooperatives.

The findings show that of the 252 respondents (64.3%) agree that level of income influences contribution ability, 249 respondents (63.5%) agree that high level of income leads to higher resource base, 241 respondents (61.5%) agree that lower level of income leads to lower resource base, 247 respondents(63%) agree that level of income influences the financing of cooperative, 234 respondents(59.7%) agree that level of income influences membership of cooperative and 242 respondents (61.7%) agree that source of income influences the performance of cooperative. This is supported by (Kimberly and Radel, 2015), who stated that enough funds and other capital assets are necessary to run a cooperative. They attest to the fact that community support for cooperatives is essential to their viability and success.

Therefore from this study it was indicated that a reliable level of income for members leads to improved support for the activities of cooperatives while unreliable level of income leads to poor performance of cooperatives due to lack of the required support from member contributions.

5.3.4 Influence of the Quality of Management on the Performance of Cooperatives

Quality management of cooperatives influences the performance of cooperatives. The findings show that of the 387 respondents (98.7%) indicated that the cooperatives are managed by elected leaders and 5 respondents (1.3%) indicated that the cooperatives are managed by board of directors. The findings show that 391 respondents (99.7%) indicated that they are involved in election of leaders.

The findings show that 371 respondents (94.6%) felt that elections are called once every year. The findings show that of the 244 respondents (62.2%) agree that successful cooperatives have the ability to hold more meetings in a year, 244 respondents (62.2%) agree that successful cooperatives meet members expectations. This agrees with (Hyden, 2013), who indicated that management processes should be geared towards achievement of the organizational goals and management in place should follow and understand the member requirements since poor management leads to apathy among members and that the issue of integrity in cooperative management is vital for performance. 228 respondents (58.2%) agree that successful

cooperatives have higher extent of achieving set objectives, 244 respondents (62.2%) agree that successful cooperatives have high level of member participation. This agrees with Caroline (2009) who said that members are the shareholders and the founders of the cooperative society, secondly is the board of directors which is the democratically elected body by the members and finally is the hired management body which runs the activities of the organization towards achieving the set goals. 243 respondents (63.0%) agree that successful cooperatives have large resource base. 252 respondents (64.3%) agree that successful cooperatives have higher management capacity.

The findings show 205 respondents (52.3%) indicated that the performance of their cooperatives is good to best because of member's participation. The findings indicated that of the 213 respondents (54.3%) felt that cooperatives perform poorly because of poor member participation. This agrees with (King and Ortman, 2008), who argued that control problems may arise when ownership and control is separate between members and board of directors due to divergence of interests. This conflict of interests in cooperatives management may lead to poor performance. The findings show that 371 respondents (94.6%) felt that Cooperative elections are called once every year while 21 respondents (5.4 %) said elections are called once in three years.

The findings indicated that of the 204 respondents (52.0%) felt that cooperatives hold 5 - 6 meetings per year. The findings show that 299 respondents (78.9%) attend election meetings to elect their leaders. This is supported by Goff (2006), who stated that the quality of management is based on the quality of elected board. This is because the board is normally tasked by the members to appoint the hired staff to manage and run the organization. The general characteristics of people in management are very crucial since it influences the process of management. The quality of management would therefore go along way into activity and the process management for the entire achievement of the set goals.

5.4 Conclusion

The study's conclusions included the following. It was determined that the number of members affects how well cooperatives function. To get loans, the majority of members join cooperatives during the rollout period. Members of cooperatives can share scarce resources for investments as a group and take advantage of economies of scale in marketing, purchasing, and production.

Members also gain from enhanced procedures and shared accountability in cooperatives, participation in decision-making and day-to-day operations by individuals with varying backgrounds and skill sets, availability of credits and other services, and return maximization.

For this reason, cooperatives are a crucial tool for communal development. A small membership base encourages social interaction among members, good management, low resource mobilization, and good member participation. It also has an impact on the sustainability of cooperatives because as a group gets larger, social issues like free-riding arise that make collective action more challenging. Large numbers, however, have an impact on economies of scale but also raise transaction costs because of the additional group supervision.

Education level and training of leaders influence performance of cooperatives. The study has shown that cooperative leaders should be well educated because educated leaders have good governance skills, good management skills, and visionary and can be relied on. Members should also be trained since trained members clearly understand cooperative goals, participate fully in the cooperative, understand their rights in the cooperative, exert control over their cooperative and own their cooperative.

Members' level of income influence performance of cooperative sincere liability of income influences contribution ability, member participation, consistency of contribution, control, consistency of contribution and continuity of cooperative. Higher level of income also influences contribution ability, leads to higher resource base and financing of cooperative and membership of cooperative.

Quality of management influences the performance of cooperatives. Cooperatives are managed by elected leaders and members should be involved in the election of leaders. Successful cooperatives must meet members' expectations; have higher extent of achieving set objectives, high level of member participation and higher management capacity.

5.5 Recommendations

The following policy recommendations were made from the findings of this study.

1. The number of members should be limited because small memberships encourage social interaction among members, good management, low resource mobilization, and good member participation. They also have an impact on the sustainability of cooperatives because as groups grow, social issues like free-riding that arise from group interactions make collective action more challenging. On the other hand, a large number results in economies of scale but also raises transaction costs due to more group supervision.
2. To increase the performance of cooperatives, training should be provided to both members and leaders. This is due to the fact that educated leaders possess strong managerial, visionary, and governance abilities. Members ought to get training because well-informed members has a clear understanding of the cooperative's objectives, actively engage in its operations, are aware of its rights, exercise control over it, and own it.
3. Participating in income-generating activities and diversifications will help members increase their income because a stable income affects cooperative continuity, member participation, control, consistency of contributions, and ability to make contributions.
4. Since cooperative success is influenced by management quality, leaders of cooperatives should be chosen by their members and given appropriate training in cooperative management.

5.6 Suggested Areas for Further Research

The following areas are suggested for further studies from the results of this study.

1. Carry out a study to find out social economic factors influencing the performance of cooperatives.
2. Carry out a study to establish the factors that influence the performance of cooperatives in other parts of the country.
3. An assessment of the role played by financial institutions on farmers cooperatives.

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APPENDICES

Appendix i : Budget

| NO | ITEM | DESCRIPTION OF ACTIVITIES | DURATION | TOTAL AMOUNT |
|----|----------------------------------|---|----------|-----------------|
| 1 | Travelling expenses | | 1 months | K2,000 |
| 2 | Material and supplies | Buddles, stationery etc | 1 month | K 500 |
| 3 | Consultant fee | Service provision | - | K 2,000 |
| 4 | Printing | Questionnaires, research document | - | K 500 |
| 5 | Dissemination costs | - | - | K 2,000 |
| | Grand total research cost | | | K 7 ,000 |

Appendix ii: Consent Form



**THE UNIVERSITY OF ZAMBIA
INSTITUTE OF DISTANCE EDUCATION**

Dear interviewee,

I Namushi Namushi am a post-graduate student at the University of Zambia, pursuing a master’s degree in Business Administration. I am conducting a research on the factors hindering performance of cooperatives (A case study of Nalolo district) in western province of Zambia.

You have been randomly selected to take part in this study voluntarily through this questionnaire. You are requested to respond to all sections and questions of this questionnaire as truthfully as possible. Indicate your responses as instructed. The information supplied will be considered confidential and used only for academic purposes.

You reserve the right to accept or refuse to participate in this study. You may terminate your participation in this study at any time without having to explain. Your identity as a participant will be kept confidential as per legal requirements.

Your participation is deeply appreciated.

Yours sincerely,

Namushi Namushi

(+260977833995/0966710636)

Voluntary Consent

Interviewee’s Signature:

Consent

Date:

Appendix iii: Gantt Chart

| Research Phase | JAN FEB | FEB MAR | MAR APR | MAY JUNE | JULY AUG | AUG SEP | SEPT OCT | OCT NOV | |
|---|--------------------|--------------------|--------------------|---------------------|---------------------|--------------------|---------------------|--------------------|--|
| Proposal Development | | | | | | | | | |
| Proposal Presentation | | | | | | | | | |
| School assessment and permission | | | | | | | | | |
| Ethics and permission | | | | | | | | | |
| Data collection | | | | | | | | | |
| Data analysis | | | | | | | | | |
| Write up of the research work | | | | | | | | | |
| Submission of the | | | | | | | | | |

| | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|
| research work | | | | | | | | | |
| Defending of my research work | | | | | | | | | |

Appendix iv: Questionnaire for Co-operative members/leaders.

SECTION 1: DEMOGRAPHIC FACTORS

- 1. Sex of the respondent male female
- 2. Age of the respondent in years a. >18 b. 18-35 c. 36-45 d.46 and above
- 3. What level of education have you attained?
 - a. Primary b) Secondary
 - c. College d) any other (specify).....
- 4. What is your main economic activity.....

SECTION 2: EDUCATION LEVEL AND TRAINING OF LEADERS

- 21. Which of the following qualities do you think best describes a good cooperative leader?
 - a. Well educated person b. Prominent person c. Rich person d. Retired officer
- 22. Do you think the level of education for your cooperative leaders is necessary?
 - a) Yes b) No
- 23. If yes, what is your feeling about the following?

| Statements | Strongly disagree | Disagree | Neutral | Agree | Strongly agree |
|---|--------------------------|-----------------|----------------|--------------|-----------------------|
| a) Educated /trained leaders have good governance skills | | | | | |
| b) Educated/trained leaders have good management skills | | | | | |
| c) Educated/trained leaders are visionary | | | | | |
| d) Educated/trained leaders can be relied on | | | | | |

24. What is the lowest level of education can you recommend for your cooperative leaders?

a) Primary c) Post-secondary b) Secondary

25. Do you think education is relevant for members? a) Yes b) No

26. If yes, what is your feeling on the following statements?

| Statement | Strongly disagree | Disagree | Neutral | Agree | Strongly agree |
|---|-------------------|----------|---------|-------|----------------|
| a) Educated/trained members clearly understand coop goals | | | | | |
| b) Educated/trained members participate fully in the coop | | | | | |
| c) Educated/trained members understand their rights in coop | | | | | |
| d) Educated/trained members exert control of their coop | | | | | |
| e) Educated/trained members own their coop | | | | | |

27. Do you think the current performance of your coop is influenced by education level and training of leaders? Yes No

Why? (Explain).....

28. As a leader, have you received any training on cooperative? a) Yes b.) No

29. If yes, what sort of training/capacity did you receive? a). coop management b). Leadership skills c).coop productivity d) Group dynamics and cohesion mechanism e).collective action f).coop growth and expansion

g) Any other (specify).....

30. Who facilitated this capacity building to you?

31. Do you think this training improved your performance in coop management?

a). Yes b).No

32. How do you think the training received helped your coop?

a).Increase in membership [] b).increased returns [] c)improved management [] d). Growth of coop [] any other (specify).....

33. Overall, do you think training of coop leaders influence good management? Yes [] No []

34. What can you further suggest for training / capacity building of coop leaders?

SECTION 3: LEVEL OF INCOME

35. What is your main source of income? a).Farming[]b).Business [] c).Salaries/wages[] d). Any other (specify).....

36. What is your average income per month? a) Below K3, 000 [] b).5,000-10,000 [] c.) K10,000-50,000 [] d) Above K50,000 []

37. Is the source of your income reliable / consistent? a). Yes [] b) No []

38. What is your feeling on the following statements?

| Statements | Strongly disagree | Disagree | Neutral | Agree | Strongly agree |
|--|-------------------|----------|---------|-------|----------------|
| a) Reliability of income influences contribution ability | | | | | |
| b) Reliability of income Influences member participation | | | | | |
| c) Reliability of income Influences control | | | | | |
| d) Reliability of income Influences continuity of cooperative | | | | | |
| e)Reliability of income Influences continuity of coop | | | | | |
| f) Reliability & consistency of contrib. influence performance | | | | | |

39. Please tick in the table below for your feeling on the following statements.

| Statements | Strongly disagree | Disagree | Neutral | Agree | Strongly agree |
|--|-------------------|----------|---------|-------|----------------|
| a) Level of income influences contribution ability | | | | | |
| b) Higher level of incomes leads to higher resource base | | | | | |
| c) Lower level of incomes leads to lower resource base | | | | | |
| d) Level of income influences the financing of coop | | | | | |
| e) Level of income influence membership of coop | | | | | |
| f) Source of income influences performance of coop | | | | | |

40. Which methods of finance do you think is good for your coop? a). Member contributions [] b). Retained profits [] c). Loans [] d.) Any other (specify).....

SECTION 4: QUALITY OF MANAGEMENT

41. Who manages your cooperative on behalf of others? a). Elected committee [] b). Board of directors [] c). Hired management team []

d). Any other (specify).....

42. Do you participate in the election/appointment of the above leadership? a. Yes [] b. No []

43. How often does your coop call for elections? a. Once a year [] b. Once in three years [] c. Any other (specify).....

44. A successfully performing cooperative has the following attributes. What is your concern about them?

| Statements | Strongly disagree | Disagree | Neutral | Agree | Strongly agree |
|--|-------------------|----------|---------|-------|----------------|
| a) Ability to hold more meetings in a year | | | | | |
| b) Meeting members expectations | | | | | |
| c) Higher extent of achieving set objectives | | | | | |
| d) Large resource base | | | | | |
| e) High level of member participation | | | | | |
| f) Higher management capacity | | | | | |

45. Why do you think the performance of your cooperative is good to best?(Can tick more) a) Ability to hold regular meetings [] b) Due to member Satisfaction [] c) Achievement of goals [] d) Member participation [] e) Due to good member contribution [] f) Due to good management ability [] g) Any other (specify).....

46. Why do you think the performance of your cooperative is poor? (Can tick more than once) a) Due Few meetings [] b) Due to lack of satisfaction [] c) Due to lack of goal achievement [] d) Due to poor member participation [] e) Due to poor member contribution [] f) Due to poor management ability [] f) Due to increased/unresolved conflicts [] g) Any other (specify).....

47. How many meeting do you have in a year.....which are they?

a) Annual general meeting [] b) Special meeting [] c) Review meeting [] d) Election meeting [] e) Any other (specify).....

48. How can you describe good management? (Can tick more than once)

a) One whose leaders are educated and trained [] c).Organizes AGMs [] b) .Meets members expectation/goals [] d).Fosters good information flow [] e) One which is impartial [] f) Any other (specify).....

INTERVIEW SCHEDULE FOR THE DISTRICT COOPERATIVE OFFICER

1. How many cooperatives are there in Nalolo district?
2. How many are active or dormant?
3. On the active ones, how many are successful or performing good to best?
4. Is there any coop that you consider most successful or best performing in Nalolo district?
5. What do you think makes it most successful or best performing?
6. What is the main problem that you consider to have led to the failure of the others (dormant)?
7. What conditions do you consider to judge a successful Cooperative society?
8. How do the government support cooperatives in Nalolo district?
9. What capacities do you think Cooperatives require for good performance?
10. What are the main legal structures that govern the formation and functioning of cooperatives, which directly affect performance of cooperatives in Nalolo district?
11. Do you think that the cooperatives in Nalolo district are built or designed on essential cooperative principles? How?
12. What do you think can be done differently by the Government in the policy framework for the success of cooperative societies in Nalolo district?
13. Are there cooperatives that get support from other agencies/NGOs, if so how many and the type of support granted?
14. What are the main challenges that face cooperatives in Nalolo district?
15. What do you think are the main reasons that people in Nalolo district form Cooperatives?