

COLLEGE OF SOCIAL SCIENCE AND HUMANITIES

DEPARTMENT OF GOVERNANCE AND DEVELOPMENT STUDIES

FACTORS AFFECTINGFARMERS'MULTIPURPOSCOOPERATIVES PERFORMANCE:THE CASE OF MAREKO WOREDA, GURAGHE ZONE

A THESIS SUBMITTED TO DEPARTMENT OF GOVERNANCE AND DEVELOPMENT STUDIES OF WOLIKTE UNIVERSITY

MA THESIS
BY

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WOLKITE ETHIOPI

DECELARATION

I, under signed declare that this research is my original work, has not been presented work for degree in any other university and that all sources of material used for this thesis has been duly acknowledge candidates.

Candidates Name

Melese Gela Signature Date

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This thesis has been submitted examination with my approval as thesis advisor

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BIOGRAPHICAL SKETCH

My name is Melese Gela. I was born in October 19thOctober 1972 E.C. At early stage achieve that wanted to enroll Arbamench teacher training intuition .I serves on the community service committee, a role that allows participating in various service project throughout the community. From the experience to succeed the managerial position and get the reward. I graduated BA degree in Educational leader ship and management at Dilla University. At the university, I passed my exams with good grades and spent three years at the University training to become a manager.

I would like to take this opportunity to sincerely acknowledge Mareko wereda administration for launching regular program for postgraduate study in developmental planning and management which created favorable condition for me to join the program. I also owe my thanks to all instructors of DPM who laid seeds of enthusiasm and passion in my pursuit of knowledge during this study.

CERTIFICATION

This is to certify that this thesis entitled the performance of farmers' multipurpose cooperatives: A survey "factors affecting the performance of farmers' multipurpose cooperatives in Mareko woreda." submitted in partial fulfillment of the requirements for the award of the degree of Master of art in developmental planning and management of Wolkite Universty to the College of social science and humanities, through the Department of developmental planning and Management, done by Mr. Melese Gela, ID No.SSHGR09/13 is an authentic work carried out by him under our guidance.

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LISTS ABBREVIATIONS AND ACRONYMS

BOD: Board of directors

CSA: Central Statistical Authority

CPR: Cooperative Promotion and Registration

DPADM: Department of public administration and development management

DV: Dependent Variable

DFID: Department for International Development

FDRE: Federal Democratic Republic of Ethiopia

FGD: Focus group discussion

GA: General Assembly

ICA: International Cooperative Alliance

IDV: Independent variables

ILO: International Labor Organization

ICA: International Co-operative Alliance

IOF: Investor-Owned Firm

MWCDO: Mareko Woreda coop development office

MOFED: Ministry of Finance and Economic Development

NGCs: New Generation Cooperatives

SACCDs: saving and credit cooperatives developments

SPSS: Statistical Package for Social Science

SNNPR: Southern Nations, Nationalities and People's Region

PCPs: Primary Cooperative performances

UN: United Nation

USAID: United States Aid for International Development

USDA: United State Department of Agriculture

USOCDC United States Overseas Cooperative Development Council

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ABSTRACT

The focus of this thesis was to descriptive investigating factors affecting the performance of farmers' multipurpose cooperatives. The study was conducted based on the 227 samples of respondents taken from within the case population of the farmers' multipurpose cooperatives, based on two stage sampling procedure. The sample also included 8 individuals from employees of organizing and regulating organ (Mareko woreda cooperative development office). The findings have shown that significant /problems the farmers' multipurpose cooperatives have been facing in its journey towards meeting stated mission. These come under two major categories, viz. the contribution that the farmers' multipurpose cooperatives makes to the local development of the wereda and the various problems that constrain its capacity in playing more significant role in governance (local development endeavor). The findings of this study also revealed that the farmers' multipurpose cooperative has been making significant contribution in the local development endeavor in both economic and social aspects. However, there have also been various problems limiting the farmers' multipurpose cooperatives form fully playing its role in the local development of the Woreda. These include leadership and member related gaps and other problems emanating there for lack of competence and commitment leaders, lack of well-developed system/standards of accountability, lack of established organizational culture and shared view on the coop values, principles and laws, missing link in the organizational structure of the coop, weak members participation; weak enforcement of rules and regulations, lack of knowledge center specifically designed for cooperatives, outdated provisions of cooperative laws and the negative effect of competition The findings of this study can therefore be signal to the leaders and managers of the coop understudy, other relevant stakeholders to get alert of the problems and take the recommendations given into account as possible solution. Explanation/description and interpretation based the data summarized and presented with the help of descriptive statistics like tables and percentages

Keywords: cooperative, multi-purpose, success, member participation factor,

CHAPTER ONE: INTRODUCTION

1.1. Background of the Study

According to ILO (2014) cooperatives in Africa were about to enter a phase of "Renaissance", but needed a more favorable legal and institutional governance, better management, and solid horizontal networks and vertical structures. Cooperatives in Africa pursued the overarching goal of mobilizing the cooperative self-help mechanism and to improve their governance, efficiency and performance in order to strengthen their capacity to create jobs, access markets, generate income, reduce poverty, provide social protection and give the common voice in the society.

Cooperatives are recent phenomena in Ethiopia with a history of half a century Yuko (2007). In France, cooperatives history dates back to 1750. Cooperatives in Ethiopia remained to be passive in changing the livelihood of most Ethiopians. As to the genesis of cooperatives, only few cooperatives were organized during the emperor regime. The major objective of organizing the cooperatives then was to produce industrial crops such as tea and spices. The co-operatives were organized in areas where these industrial crops are grown. Concerning the membership, the shareholders were those who produce these cash crops and in almost all were landlords. Small holders and consumers were not given due attention.

Traditional forms of cooperation involved community members voluntarily pooling financial resources through "*iqub*", which was an association of people having the common objectives of mobilizing resources, especially finance, and distributing it to members on rotating basis. There were also initiatives for labour resource mobilization that were to overcome seasonal labour peaks, known as "*Jigie", "Wonfel"*, among others. There also was the *idir*, which was an association for provision of social and economic insurance for the members in the events of death, accident, damages to property, among others. These informal associations continue to operate in Ethiopia up to now a day (Bezabih, 2009).

In Ethiopia, the formation of modern cooperative societies was started soon after the Italian invasion. However, the history of formal cooperatives in Ethiopia dates back to 1960 .The new

cooperative movement in Ethiopia was triggered by reforms made to the socio-political system during the socialist government (the Derg regime); cooperatives were formed to assist in the implementation of the Government's policy of collective ownership of properties. Under this system, cooperatives were forced to operate in line with socialist principles, which meant that production and marketing of produce were undertaken through collective mechanisms. Membership to a cooperative was also compulsory, which contravene the basic cooperative principle of voluntarily participation (Ibid).

The first directive of cooperatives was legally enacted during the regime of Emperor Haileselassie. Since the introduction of the cooperative directive, Ethiopia has enacted four new proclamations and an amendment act: Directive No.44/1960, Proclamation No.241/1966; Proclamation No.138/1978, Proclamation No. 85/1995, Proclamation No.147/1998, and Amendment act No. 402/2004. The latest proclamation ensures that cooperative policy is fully consistent with the Universal Cooperative Principles and the ILO's Promotion of Cooperatives Recommendation 193 (2002). The new era in cooperatives development in Ethiopia was started in 1998 when new cooperative legislation No147/1998 was enacted (FCA, 2009:6).

Cooperative movement in Ethiopia has faced a number of problems in the past. The current free market economy of the country is conducive to cooperatives development throughout the country it brings cooperative development at grass root level in the country without ideological sentiment, but their limited capacity has inhibited them from making full use of the existing opportunities. For coops that do provide output marketing services, transactions sizes are often small and marketing revenues often do not sufficiently accrue to farmers. Quality has also been an issue. For example, only 18% of cooperatives that had contracts with the World food Program in 2010 were able to fulfill them, while others delivered outputs of insufficient quality and quantity. Most cooperatives do not attract substantial membership. Country-wide, only 17% of Ethiopia farmers are members of primary cooperatives (MoA /ATA, 2012).

Similarly ,Bezabih (2009), pointed out that the current government of Ethiopia has recognized the importance of cooperatives for social and economic development in its successive development programs and plans, it is apparent that the cooperative sector has not yet developed the managerial capacity that keeps it viable in the face the new problems,

challenges and opportunities exerted by the current global and national socio-economic and other environmental factors. He thus, pointed out that the traditional way of managing cooperatives, will have many consequence on their viability in the country. This is because, the time calls for a new mind set, quality leadership and modern management in order to ensure effectiveness and sustainability that enable cooperatives to meet multiple objectives.

To this end, Studies such as Performance of Multi-Purpose Agricultural Cooperatives in Woliata Zone of Southern Ethiopia (Meja MF and Geta E., 2017), performance of coffee marketing cooperatives and members satisfaction in Dale districts southern Ethiopia (Tilahun ,D,.2007), and Njihia and Muturi (2015) has been done on problems experienced by SACCOs in Kenya and the research has reviewed governance and market risk as factors affecting Sacco performance. But those studies identified some evidence somehow inconsistent in each other by finding and not addressed the actual problem in the ground very well; the other researchers mainly focus on specific issue of factors affecting cooperative performance in specific way. And also they miss the core factor which has highly affects the cooperatives performance.

Furthermore, the significant of cooperative is unquestionable that can improve the living standards of its members both in the rural and urban centers; even though the role and the performance of cooperatives are somehow good position in order to bring change in the study area .But there are many problems in the study area that affect the performance of cooperative members. Therefore, this study aims to identify and examine the gap through assessing factors affecting the performance of farmers' cooperatives in the study area.

1.2. Statement of the Problem

Cooperatives can help the rural poor in developing countries in many ways in general including Ethiopia, to overcome the deep and persistent market failures and institutional failures in many ways. But Cooperatives in developing countries are facing many challenges; which include a market environment that is under developed, imperfect information with no strongly established rules and regulation, the skill and knowledge of managers of cooperative societies do not much with the complexity of their environment, and also maintaining active membership based organization is very challenging (FCA, 2014:).

In order to change this issue now a day, the government of Ethiopia gives due attention for cooperative development and effectiveness across the country by establishing new strategy and working environment in different forms, and it formulated new framework at different level, which means that the cooperatives at higher level (federation), cooperative at medium level (union) and the lower level (primary) cooperatives (MOA, 2012).In line with this, the effectiveness of such cooperatives depends on a large extent, on the effectiveness of its management practice that makes efficient and effective use of limited resources pooled from members towards the achievement of intended goal of its members and the community (Bezabih, 2009).

Moreover, the issue of the poor performance of farmers 'multipurpose primary cooperatives has received some attention by other researchers in the past years.Like (Dejene E., & G., Dereje, (2015), Biset. T,(2016,) Azmah, etal .,(2014),. Gashaw T.,Abate, &Lemma, S.,(2013). For instance the issues regarding poor performance like financial factors, marketing factors, governance factors and communication factors and the like were those affects the cooperatives performance significantly. However, a little attention has been given to make investigation on the factors affecting farmers multipurpose' primary cooperatives performance or effectiveness. It mean that the finding of the above studies cannot be well addressed the actual problems in the ground and also some related issues cannot be focus on the core factors like the issue of sense of ownership of their members towards their society, cooperative institutions were established to acts as agent of the government rather than serving the felt/ actual needs of the members at whole.

In addition to this, there are a number of limits of farmers' primary cooperatives as developed rural area actors, which means that most of cooperatives in the study area do not have established well cooperative structure as a result of which relevant internal stakeholders have limited and non-uniform understanding of their roles, duties and responsibilities; the upper organs of the cooperatives (leaders, GAs and BODs) could not identify the roles of different stakeholders; the various stakeholders lack of well knowledge regarding the nature of cooperatives and cooperative business as well as organizational philosophy of the cooperative. And also the members of the cooperatives have been oriented towards the economic efficiency principles of the conventional business, not in line with the spirit of the fundamental principles

of cooperatives, i.e. members' critically lack awareness of benefits of membership and the duties and responsibilities. This situation shows that there is no real sense of membership and belongingness and they show weak members' participation which leads to lose of confidence among members of cooperatives (Spiel man, 2008).

Even though, there are many primary cooperative function in the study area very well, but there are several factors influencing their performance .According to Mareko woreda cooperative development office report (2017) shows that, the reason for poor performance of primary cooperatives in the study area is, lack of sense of ownership of the members towards their society, due to lack of technical know- how regarding their roles, duties and responsibilities of each members. The other point is that cooperatives in the past years were almost all coops face corruption and miss use of resources in which the beneficiary were only certain groups. Due to this rationality and its consequences of such trend degraded the sense of ownership among majority of the members that placed the shadow of fear towards their societies. Furthermore, the other problem relate to poor performance of cooperatives in the study area is poor culture of saving among the members this is not only the problem of the cooperative members but also the whole community members in the woreda (Annual report of MWCDO, 2017). In addition to this, the main point here will be there is few study carried out so far in the study area related to cooperative performance. So that ,due to these main reasons the researcher's interested to conduct or investigate the research problem in Mareko Woreda regarding factors affecting the performance of farmers multipurpose primary cooperative and come up with the likely solutions thereby forwarding areas for further research, if any.

1.3. Research Objective

The General Objective of this study was to investigating the factors affecting the performance of farmers' multipurpose cooperatives in SNNPR;Gurage Zone Mareko woreda.

1.3.1. Specific Objectives of the study

I. To identify the level of members participation in multipurpose farmers' cooperative in relation to its performance.

II. To identify the current status of multipurpose framers cooperatives performance level in the study area.

III. To identify the internal factors that affects the performance of the Farmers' multipurpose Cooperatives in the study area.

IV. To identify the external factors those affect the performance of Farmers' multipurpose Cooperatives in the study area.

1.4. Research Questions

This study would be attempting to answer the following research questions

I. In what extents the member's participate in the farmer's multipurpose cooperative in relation to its performance?

II. Identify the current status of multipurpose farmers' cooperatives performance level in the study area?

III. What are the internal factors that affect the performance of the farmers' multipurpose Cooperatives in the study area?

IV. What are the external factors that affect the performance of the farmers' multipurpose Cooperatives in the study area?

1.5. Significance of the Research

Studying the factors affecting the farmers' primary cooperatives performance had essential importance for realizing how much they perform as per their goals and objectives to improve further implementation and future achievement. To the knowledge of the researcher no prior studies have been carried out in order to identify factors that affect performance of multipurpose farmer's cooperatives in Mareko woreda. The information gathered by this study would be useful for management bodies of cooperatives, policy makers and nongovernmental organizations to work with cooperatives. It would assist in improvement of cooperatives

survival rate, by suggesting appropriate and relevant measures. This information would be helped to establish and support cooperatives members by making them more effective when serving the members. The information generated by this study would be useful to other researchers; it uses as stepping stone for further studies on the challenges faced by marketing cooperatives in Mareko woreda as well as nation.

1.6. Scope of the Study

The study would be conducted in Mareko Woreda (on multipurpose cooperative only) on the study of factors affecting the performance of farmer's cooperatives ,by using both primary and the data available from cooperative development office which was until 2022 based on duration of cooperative formation. The rationale behind conducting a research in the study woreda was due to its large area coverage, low infrastructure and it needs a lot of budget and time .Some of them cannot properly be accessible to conduct research, and also some of them are organized in recently ,which means that new cooperatives were difficult to evaluate their performance and cannot show the actual performance .Therefore, for this reason the research would be delimit the study to only sample population of the multipurpose farmers' cooperatives which actively working in selected kebeles of the Moreko Woreda until 2022

1.7. Expected Limitation of the Study

This study will have some limitations. The research is confined to specifically assessing the factors affecting the performance of multipurpose cooperatives' has some limitation in case of Mareko woreda of Guraghe Zone, in SNNPR. Among them, limited time available to accomplish the study may restrict the researcher from reading many books, empirical studies and relevant case studies that have been done in least developed countries and in Ethiopia. The other problem expected to encounter in the study has to do with the farmers' (multipurpose cooperative members') reluctance to cooperate due to suspicion that disclosing information may lead to negative effect on their business. Finally, the small amount of fund allocated to undertake the research might have its own disadvantage on realization of the research objectives.

1.8. Definitions of Terms and Variables

Performance: it is defied in terms of profitability, efficiency, effectiveness and growth of the farmers' cooperatives.

Primary cooperative: it is a cooperative formed by a minimum of ten natural persons whose objective is to provide employment or services to its members and to facilitate community development.

Multi-Purpose cooperative societies: multipurpose cooperatives unlike single purpose cooperatives undertake diversified activities. Multipurpose cooperatives, function on the basis of a fully integrated framework of activities, planned according to member's requirements identified at the grass root level, taking the socio-economic life of the farmer members in its totality.

Governance: Governance refers to the way those with power use or exercise that power. Cooperative principles call for democratic governance. Since the cooperative is by and large for the members, the members are expected to make decisions regarding the cooperative. Good governance is posited to have a positive relationship with performance of multi-purpose cooperatives.

Member Participation: the principles of cooperatives call upon good governance among cooperatives. The performance of multi-purpose cooperatives depends on the involvement of members in all activities of the cooperative. Hence, a positive relationship is expected between participation and performance of multi-purpose cooperatives.

Marketing factors: Farmers with a better access to such infrastructural facilities are expected to have more advantage in tapping the benefits of market than those who have poor access. Therefore, infrastructure is assumed to have a direct influence on marketing performance through the cooperatives.

Infrastructures: infrastructure plays a greater role in storage, transportation and communication activities. Telecommunication service is again another factor that helps farmers in frequent communication with concerned individuals and institutions to share up to date and adequate information regarding current market prices and also access to fiancé is the main factors that determine the performance of members.

Policy and regulation: a legal environment is a collection of factors, such as the general state of policies, the level of rule and regulation, and the law and order situations.
Financial factors: relating to money or how money is managed.

Organizational structure: A framework that shows the organs required at different levels of the coop and the link/relationship between them to realize the stated goal/mission.

1.9. Organization of the Thesis

The thesis paper was organized into five chapters. **Chapter one** would be deal with introduction, consisting of background of the study, statement of the problem, research questions, objectives, scope, limitation of the study, and operational definitions of terms. **Chapter two** would be provide theoretical and empirical related review of literature with empirical studies on factors affecting performance of the multipurpose farmers' cooperatives of Ethiopia and the conceptual framework of the research. **Chapter three**: would be deal with the research methodology undertaken, description of the study area, population, sample size, sampling techniques, data collection, variables and measurements, methods of data processing and analysis. **Chapter four** deals with the data presentation and discussion of results of findings .Finally, **Chapter five** presents summery, conclusions and provided possible recommendations based on the findings of the study.

CHAPTER TWO: REVIEW OF THEORETICAL LITERATURE AND EMPIRICAL EVIDENCES

2.1. Definition of Cooperatives

As stated in MOA/ATA (2012) no single definition of "cooperative" would be adequate to describe the diverse activities that have been labeled "cooperative." But it is possible to identify certain common characteristics of cooperative organizations. The internationally accepted definition of cooperatives developed by the International Cooperative Alliance and supported by the Government of Ethiopia and the Federal Cooperative Agency is: "An autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly-owned and democratically-controlled enterprise."

In the Oxford Dictionary, definition of cooperative is 'a firm, business, or other organization which is owned and run jointly by its members, who share the profits or benefits'. A cooperative is a special type and a social enterprise that balances two main goals: satisfying its members' needs, and pursuing profit and sustainability. In similar vein, a proclamation to provide for the establishment of cooperative society in Ethiopia No.147/1998 defines cooperatives on its Art. 2 as "Cooperative Society" means a society established by individuals on voluntary basis to collectively solve their economic and social problems and democratically manage same manner (FCA, 2014).

2.2. General Approaches or perspectives

2.2.1. Theories on performance of farmers' primary cooperatives

Cooperatives are by their very nature enterprises that balance or integrate economic, environmental and social imperatives, which at the same time address members and member expectations. Farmers' cooperatives are a cooperative that produces processes or sells agricultural products and supplies agricultural inputs and services to their members (ICA, 1995).

According to ILO (2014*)*, cooperatives build strength, influence and bargaining power through vertical structures, such as federations, unions and associations, and horizontal networks that facilitate cooperation between cooperatives of different types. On the African continent the shape of those vertical structures was, until the mid-1990s, largely determined by the State, and often prescribed in cooperative laws. The various levels of the vertical structure were aligned with the administrative set-up of the country, whether this made economic sense or not. Today, every single African country has its own specific vertical cooperative structure composed of a variety of national, sectorial, regional and local organizations.

2.3. Principles of Cooperatives

2.3.1. Seven internationally recognized cooperative principles are:

1.Voluntary and open membership; Cooperatives are voluntary organizations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political, or religious discrimination,

2. Democratic member control; Cooperatives are democratic organizations controlled by their members, who actively participate in setting their policies and making decisions. Men and women serving as elected representatives are accountable to the membership. In primary cooperatives members have equal voting rights (one member, one vote) and cooperatives at other levels are organized in a democratic manner,

3. Member economic participation; Members contribute equitably to, and democratically control, the capital of their cooperative. At least part of that capital is usually the common property of the cooperative. They usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any or all of the following purposes: developing the cooperative, possibly by setting up reserves, part of which at least would be indivisible; benefitting members in proportion to their transactions with the cooperative; and supporting other activities approved by the membership,

4. **Autonomy and independence;** Cooperatives are autonomous, self-help organizations controlled by their members. If they enter into agreements with other organizations, including

governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their cooperative autonomy,

5. Provision of education, training and information; Cooperatives provide education and training for their members, elected representatives, managers, and employees so they can contribute effectively to the development of their cooperatives. They inform the general public, particularly young people and opinion leaders about the nature and benefits of cooperation,

6. Cooperation among cooperatives; Cooperatives serve their members most effectively and strengthen the cooperative movement by working together through local, national, regional, and international structures,

7. Concern for the community; while focusing on member needs, Cooperatives work for the sustainable development of their communities through policies accepted by their members (ICA/2006) cited in Muluken, T.2015:9).

2.4. Performance of Multi-Purpose Cooperatives

Multi-purpose cooperatives are a unique type of private enterprises that embrace both the associative component as well as the business component and are guided by the International Cooperative Alliance (ICA) values and principles of cooperation. The motive is inducing individuals to join existing or to form new cooperatives that can originate in the economic-rational sphere and in the sociological and psychological spheres. Multi-purpose cooperatives are associations of primary producers who have come together to achieve some common commercial objectives more successfully than they could as individuals such as marketing their produce, purchasing farm supplies, purchasing consumer goods for sale, sharing equipment, or supplying services such as storage or transport. More generally, their goal is to enable rural people to improve their social and economic conditions by working together in ways that are more productive than working individually (Australian Agricultural Council, 1998,) cited in T.A. Masuku etal, 2016)

Multi-purpose cooperative members provide finance to their cooperative enterprise through equity investments and the cooperative is controlled by the membership through the committee

(directors). The committee members hire the manager and establish a policy under which the manager operates (Gray and Kraenzle, 2002). When the cooperative performs well, its business volume and value are expected to grow from year to year so that it will benefit its members as owners, users and controllers of the cooperative business. This might indicate whether the cooperative is performing negatively or positively. In their study, Gray and Kraenzle (2002) found that governance, accountability, transparency, members' participation, education and training were considered to contribute to the performance of cooperatives. The ability of cooperatives to search for lucrative markets for its members can improve rural farmers' returns in their productive activities. Participating in networks, cooperatives can also provide farmers with information that can improve their skills and knowledge, which may not be accessible to all farmers not participating in the network (Totlund, 2004) cited in T.A. Masuku etal, 2016).

In a democratic organization like cooperatives, the general membership is the supreme organ and the management committee is elected by membership to look after the business affairs. A sustainable cooperative is defined by Rankin and Russell (2005) as economically successful and hence able to compete with other cooperatives and the private sector. Samson (2010) conducted and evaluation of social and economic performance of cooperatives and found that, multi-purpose cooperatives were facing problems of finance and capitalization. Several characteristics could be distinguished when assessing the performance and loyalty of cooperative members. When measuring the performance of cooperatives, it is important to distinguish between the social and economic performance. There are two measures for social performance, which include loyalty and farmers satisfaction (Ibid).

2.5. The Cooperative Sector in Ethiopia

According to FCA (2018) farmer's primary cooperatives are the primary stakeholders in the agricultural cooperative sector; it is these cooperatives, and the men and women farmers who are members of them, that will ultimately determine whether smallholder farmers can indeed increase their production and incomes through their membership in agricultural cooperatives.

This critical constituency consists of about 78,684, primary cooperatives, with its members 14, 902,340 from this male10, 684,557 and females 4,217,783 in number.

2.6. Strategy Directions for Cooperatives Development

In Ethiopia integrated strategy has been designed to address the needs and development of both existing and potential agricultural cooperatives at all tiers, which includes primary cooperatives, unions, and federations, as well as key support and regulatory actors. The Agricultural Cooperative Sector Development Strategy 2012-2016 focuses solely on agricultural cooperatives. Because focusing on other types of cooperatives requires an alternative framework for analysis. It is worth noting that all Rural Savings and Credit Cooperatives (RUSACCOs) are owned by farmers and can help increase smallholder farmers' yields and incomes. Strengthening of RUSACCOs is accordingly an important priority of the Government of Ethiopia (ACSDS, 2012).

2.7. Empirical Studies on Factors Affecting the Performance of Cooperatives in Ethiopian

Performance evaluation of cooperatives and micro and small enterprise Tilhun Gemeda (2013) in his study of "factors affecting the performance of primary saving and credit cooperatives societies in Hula woreda" stated that one of the principles of the cooperatives societies is open and voluntary membership. it means ,anybody can join as a member in cooperatives society through which the society could able to increase the number of members with saving and credit cooperatives (saccos).Therefore, growth trend of membership is one of the indicates of the performance of any cooperatives society. The researcher also indicates that effective and efficient leadership is the key component of the success of saccos. The sacoos leadership in his study area consists of management committee, loan committee, education and propaganda committee and control committee .elections in cooperatives has the right to participate in the election processes of the society. In this study, all the respondents have assured that saccos leders were elected by members. Members are the only entities of their leaders' election. The study revealed that the entire selected saccos were established policies to election of leaders in every three years interval.

Farmers' primary cooperatives in Ethiopia are confronted with several factors that affect their performance (Werotew, 2010:226). The major factors include financial problems, lack of qualified employees, lack of proper financial records, marketing problems and lack of work premises, etc. Besides, environmental factor affects the business. In addition there are also personal attitudes or internal factors that affect the performance of farmers' primary cooperatives which are related to the person's individual attitude, training and technical know-how. They are for the most part operating on a very small scale and with a low level of organization. They tend to have little or no access to organized markets, to create farmers, to modern technology, to formal training and many public services. Generally, there are external (contextual) and internal factors which are still affecting the very performance of farmers' primary cooperatives.

According to Nuredin (2014) despite success stories of some of few cooperatives, there were also critical challenges in cooperatives sectors. From expected about 9,254 primary cooperatives, after collecting the data from all, only 8,872 primary cooperatives were in place and the rest 382 primary cooperatives either initially were not in place or tear down due to lack of close assistance in her incubation period. Meanwhile, of 8872 primary cooperative 63.4% (5625) were scored below minimum standard points (<50), and about 1041 primary cooperatives scored below 10 points out of 100. In terms of membership fee, annual auditing and loan repayment capacity and dividend share. Moreover women participation in leadership was found only in 24 out of 86 primary cooperatives and the same thing happened in unions and federation 3 out of 17.

Frascesconi and Ruben (2012) studied the effects of cooperative membership among dairy producers in Ethiopia, and reported a positive effect of membership on milk production and productivity, but a negative effect on fat and protein content. Genet and Anullo (2010) show evidence of a positive effect of cooperative membership on total income and savings among farmers of the Sidama region, in Ethiopia. However, no significant effects were found for households' assets. Yang and Liu (2012) report similar results in China, where the presence of farmers' organizations is associated with higher levels of rural income at the local level. Furthermore, Abebaw and Haile (2013) found that cooperative membership in Ethiopia has a positive relationship with the level of use of fertilizers, which might be explained by the fact

that Ethiopian cooperatives have a monopoly in the supply of (subsidized) fertilizers (being the private market for fertilizers still absent in the country).

2.8. Research Gap

Farmers' cooperatives are known to provide multidimensional services to their members such as provision of financial and non-financial service without of the requirement of collateral, input supply, marketing and saving and credit service at grass root level. However, their performance is being affected by several external and internal factors and they are not contributing as per the required level for the economic growth and the development of their members as well as the country as a whole. There were related studies conducted in Ethiopia with regard to farmer's multipurpose cooperatives members' performance status, factors affecting their performance but there are still certain gaps in assessing the factors affecting the performance of farmers' cooperatives. This means that, most of the studies focused on specified types of cooperatives unit without considering the core factors of farmers' cooperatives, and multi-dimensional factors (including miss leading and miss use practice, especially managerial skill or capacity and sense of ownership). Therefore, this study's aim would be to fill this gap by considering different types of farmers' cooperatives in holistic way.

2.9. Internal and external factors affecting effectiveness of cooperatives

There are several factors affecting the performance of cooperatives be it (IOF) or others. These factors may come under two major categories, namely, internal organizational factors and external organizational factors. Internal organizational factors considered in this study comprise managerial competence and skill, governance, organizational structure, members' participation and organizational culture; while external organizational factors include the role of government, regulatory organ and competition, and other local stakeholders like Wereda Administration.

2.9.1. Internal factors

The internal factors that would have an effect on a cooperative's success are the ones that arise internally and these include members' commitment, members' participation, structural and

communication and managerial factors. Several studies have considered the demographic characteristics of the directing board members and members of cooperatives, members' active participation, commitment to the cooperatives, and trust to each other (Hakelius, 2009; Azadi and Karami, 2010).

2.9.1.1. Manager related factors

a) Managerial competence and skill

Managers play decisive role in contributing to effectiveness of the coop by properly undertaking the five managerial functions of (planning, organizing/coordinating, staffing, leading and controlling) while not violating coop identity. Now days, cooperatives, like other conventional businesses, operate in unpredictable, dynamic and highly competitive environment. This situation is critically challenging the business as usual and hence managerial competence has become more demanding.

According to Bhardwaj & Punia (2013) every business organization needs managers to be successful in today's highly competitive and dynamic business environment. Every successful and effective manager need to possess several competencies that enable him/her perform efficiently and effectively at different managerial levels. Competence is the demonstrated ability to apply knowledge and/or skills, and, where relevant, demonstrated personal attributes, hence it is essentially is a combination of knowledge, skills, behaviors and attitudes that contribute to personal effectiveness and are what a person needs to be effective in a wide range of positions and varying organizations (Hellriegel, *et.al.* stated in Bhardwaji & Punia, 2013).

B) Managerial skill gaps

Rosaline (2013) underlined that managerial skills are inevitably the essential building blocks of any organizational work progress. The author found that managerial skill gap exists when a manager fails to possess and apply the requisite managerial knowledge or skills necessary to perform at a high level in the context of coops. When organizations allow management skill gap 'to exist they will be forced to undergo various difficulties like, 1) failure to achieve performance goals for the organization; 2) frequent loss of productivity to the advantage of

competitors and 3) A host of negative people issues such as loss of team work /team spirit, ineffective Communication, breakdowns, a degeneration of morale and increased work place stress will prevail. The author thus recommended skill development training, proper coaching and providing adequate empowerment to managers to meet the intended goal of the organization efficiently and effectively in such ultra-competitive world (Ibid).

C) Cooperative values and principles

According to ICA (1995), statement of cooperative identity, cooperatives are based on values of two categories namely: basic/operational values consisting of values of self-responsibility, equality, equity, democracy and solidarity, while ethical values comprises honesty, openness and social responsibility. Cooperative principles, ICA are commandments or guidelines through which cooperatives put their values into practice and judge (i.e. used for judging behavior and for making decisions). They are empowering frameworks and energizing agents through which cooperatives can grasp the future which are applied with varying degrees of detail to different kinds of cooperatives under different kinds of situations. ICA's recommendation thus strongly stressed that cooperatives are thus judged on how well they adhere to principles in their entirety. Adopted seven internationally accepted principles of cooperatives including; Voluntary and open membership, Democratic member control, Member economic participation, Autonomy and independence, Education, training and information, Cooperation among cooperatives, and, Concern for community (Ibid).

In line with the above, Shaw (2006), found that there is implementation gap of these cooperative principles particularly members' economic participation, democratic control and autonomy and independence weakening the governance of coops in developing countries. The writer also underlined that unlike the experience of the OECD countries, cooperative governance in developing countries is based on the legacy of the government control and intervention into the cooperative, which in most cases derives from colonial origins of the coop sector. Characterized by inadequately developed legal and regulatory system, enforcement capacities and inadequately developed private sector institutions required to support effective corporate governance, developing countries might need governance reforms in cooperatives to enhance effectiveness of cooperatives (Gregory and Simms 1999).

2.9.1.2. Member participation

Members' participation is crucial for survival, viability and success of cooperatives. Gray & Kraenzle (1998) emphasized the importance of members' participation saying 'there is no cooperative without members' participation'.

Members participate in their cooperatives in many different ways. But all may come under one of the three major categories, viz. governance, routine transactions and safeguarding. Members participate in governance by deliberating on higher level issues at its GA, serving as elected officials (BOD or BOD Subcommittee member) or in other committees. Members' participation is therefore holistic, i.e. not limited to economic alone or democratic decision making either. If members' participation is limited to economic patronage, the cooperative is no more than conventional business, (Pozzobon & Zylbersztajib, 2011and Gray & Karenzle, 1998).

2.9.1.3. Organizational structure

Different authors, though in varying expressions, all emphasized that organizational structure is an internal differentiation, grouping and coordination of jobs that helps to establish lines of flows of authority and accountability as well as information for smooth functioning of organizational tasks at different levels. Organizational structure according to Tran and Tian (2013) helps to ensure effectiveness (achievement of organizational goals) by ensuring effectiveness of the management through differentiation (grouping of activities) and integration (coordination) of grouped units/sections.

2.9.2. External organizational factors of cooperatives

The external factors, considered essential in the success of cooperative, include assistance that act as motivation for farmers in a cooperative, external assistance**,** government policies, regulatory frameworks and market factors. Cooperative in developing countries are comprised of resource poor farmers, which make external assistance necessary, especially in the formation process, for the group to achieve any economic gains**.** Effectiveness is an external measure of internal organizational performance as it is dependent

on the perception (evaluation) of those who receive the service/product (i.e. stakeholders, clients, customers, or others). The organizational level competency based approach, from its analysis of the outward looking long term future oriented internal and external influences on the organization, derived that organizations can use the manager's competency to build on internal strengths and exploit external opportunities as organizations are not closed systems. Organizations thus can be influenced not only by internal factors but also external factor. This shows that an organization creates the system and environment with the help of the skills and characteristics of its mangers that helps them achieve the strategic intent (Linda, Chambo & Carpophores and ILO (2012).

External interference in the organization's administration can have significant impact on the sustainability of cooperative. Chamboo(2007) argued that cooperative policy and legislation, in Africa, is not participative, since the state is generally the promoter of cooperatives. This situation consequence in a small amount of ownership, with minimal share involvement from members and it is seen as being state controlled. The author further argued that such type of agricultural cooperatives finds it difficult to be competitive and attract qualified management. On another hand, external assistance also can create a dependency syndrome which can then affect the success and sustainability of the cooperative. Government or donor funding may comprise control, by the imposition of agendas and by politicization and this may lower commitment on the part of members

2.9.3. The Conceptual Framework

Conceptual framework means that concepts that relate to one another will be used to explain the research problem. As the research questions evidence the central point of this study is members performance, From the review of a broad range of literature, the researcher proposes the factors for affecting members performance in multipurpose primary cooperatives would in six factors: it can be argued that the member performance cooperatives will be depends on membership commitment factors, membership participation factors, structural factors, and managerial and external factor. Moreover the following figure illustrates how these attributes would be as factors for the cooperatives members' performance. The external factors include legal and policy regulation, infrastructural, marketing, structures and financial factors. The internal factors that influence the firm's

performance will be classified as management related factors. Based on external and internal factors on various types of farmers' primary cooperatives the relationship can be expressed and identified shown in figure .1

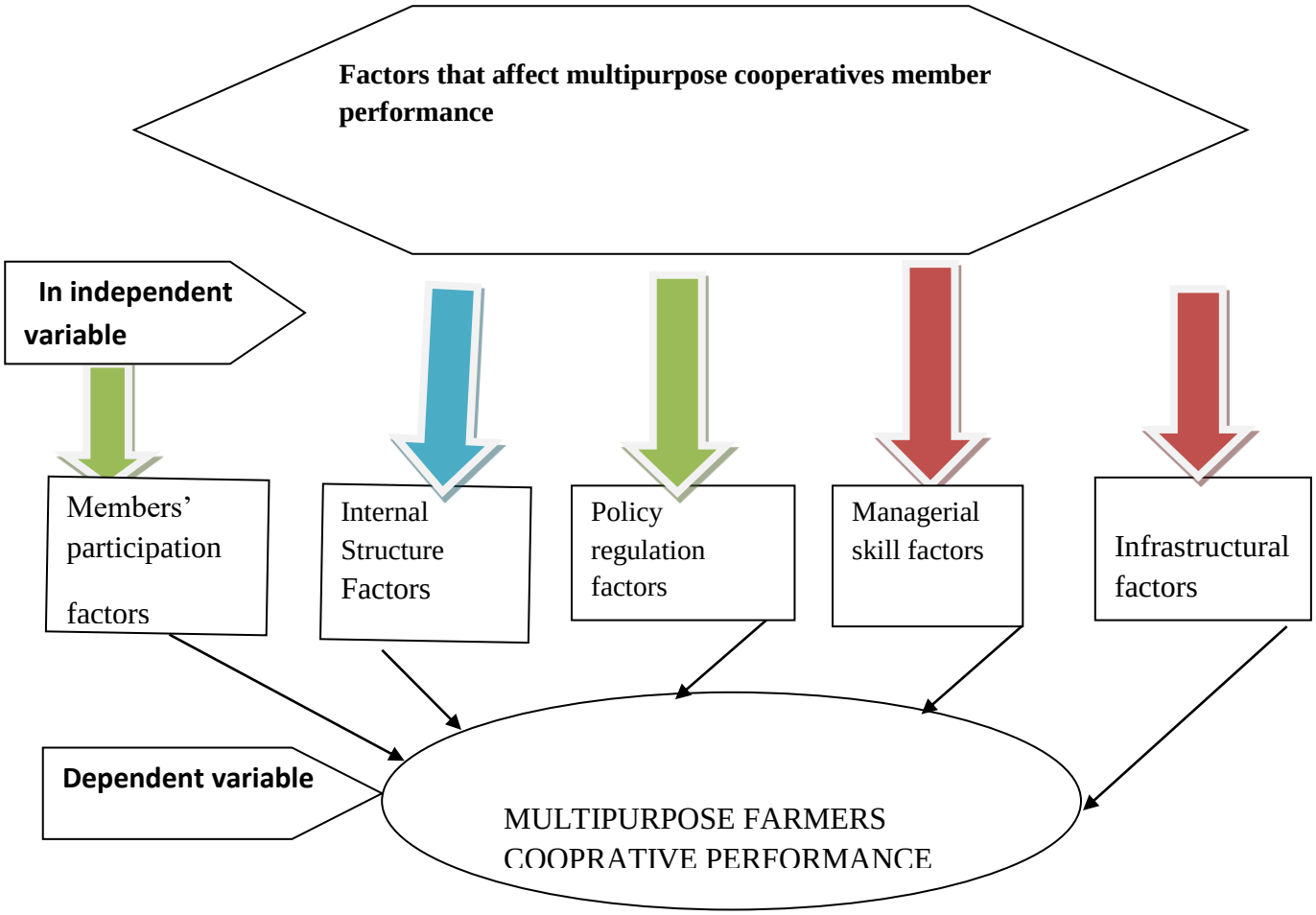


Figure 2. 1 Conceptual Frameworks designed by researcher

CHAPTER THREE: RESEARCH DESIGN AND METHODOLOGY

In these sections of the study, description of the study area, the general meted logy to be used in the study, the sources of data for the study, the sampling techniques applied in the study, the instruments used to gather data, the procedures of data collection and the methods of data analysis were thoroughly discussed.

3. 1. Description of the Study Area

3.1.1. Description of Mareko Woreda

Mareko Woreda is located in SNNPR state of *Gurage* Zone. This is one of the 18 Woredas found in Guraghe Zone with high potential for agricultural production. And its capital town is Koshe, which is located to the distance of 158 km, 138km and 120 km form Addis Ababa the capital city of the country, Awassa town the regional capital and Welkite town the Zonal capital town respectively. Mareko Woreda shares administrative borders with the Adamitulu Jido Kombelcha Woreda of Oromia region in the East and North, Siltte Zone from the South, and Meskan Woreda from the West.

For administration purpose the Woreda is structured by one town and 26 rural Kebeles. The total area of the Woreda is estimated to be 473.76 sq. km. The woreda climatic zone is characterized by: dry and tropical rainy /dry woinadega/ constituting about 100%. In terms of elevation the Woreda is situated between 1800 and 2000 meters above sea level. As per information obtained from Woreda's agriculture and rural development office the annual average rainfall of the district is 600 mm-750mm.

To these end, According to information obtained from the Woreda cooperative development office, report shows that in the Woreda totally, registered cooperative well be 68 in primary cooperatives in 8 different type and also different type of primary cooperative has registered legally like multipurpose, Sacco, seed producing coops, small irrigation, solar light, consumer, and grain marketing and also 1union cooperative available in the study area. The total individual membership in each cooperative is male 2688 and female 2275, total 4963. From this amount of membership more than 50% coops can join in recent time. In addition to this

each cooperative its total capital amount is, 4,129,000, Here for the study purpose the researcher has selects and focus on only 8 number of multipurpose primary cooperative because of some reasons, most multipurpose primary cooperatives established in recent time, which is difficult to measure its performance, lack of accessibility like transportation case, lack of time and budget is the other main reasons.

3.1.2. Geographical location of the study area

This study was carried out in *Mareko Woreda. Mareko Woreda* has twenty Eight *Kebeles,* from this Koshe Akababi, Kuno Keretefa, Kuno Alemena, Dida Midora ,Dida Halibo,Mekakelgna Jara Demeka,Sherento1,Udasa-wash-Wira.kebeles will be selected for this study.

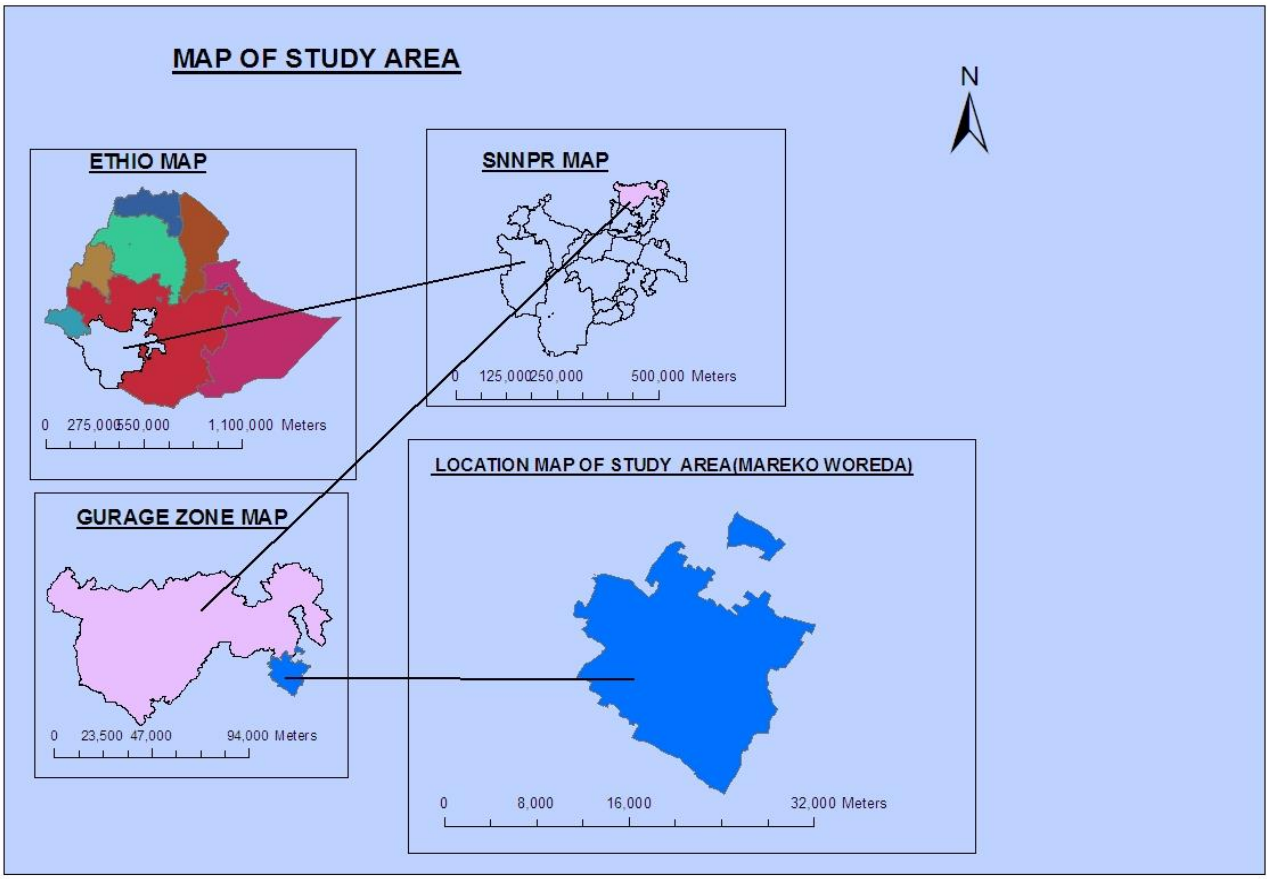


Figure.3. 2 Source: SNNPR Finance and Economic Development Department of plan (2022)

3.2. Research Design

John A.H. et al., (2007) state that research design was the blue print for fulfilling research objectives and answering research questions .It ensures that the study would be relevant to the problem and that it uses economical procedures. In this research descriptive research design would be employed.

3.2.1. Research Approach

This research would be used both quantitative and qualitative approaches of research methodology. The qualitative method would support the findings of quantitative study. Survey method would be used to conduct the research. This method had been chosen for its sharpness for investigations of problems in realistic settings. It was enable us to assess the current trend of multipurpose farmers' primary cooperatives performance.

3.3. Sources of Data

3.3.1. Primary Sources

The primary sources of data were collected from respondents through questionnaire, interview and those who participate in the focus group discussion. In order to realize the target, the study would be used well-designed questionnaire as instrument. Besides, face-to-face interviews with the cooperatives committee and / or the relevant managers who head the cooperatives in the selected cooperatives would be conducted .The interview method of data collection was preferred due to its high response rate.

3.3.2 Secondary Sources

Secondary source of data were collected from files, pamphlets, office manuals, circulars, and policy proclamation and strategy papers and also the document would be used to provide additional information. Besides, variety of books, published and/or unpublished government documents, websites, reports and newsletters would be reviewed to make the study fruitful.

3.4. Population, Sample and Sampling techniques

3.4.1. Population

The researcher would conduct the research on selected respondents from the target population which include cooperative members, kebele chairmen, kebele managers, cooperatives leaders, cooperative-development agents, woreda administrator, woreda cooperative development experts, woreda agriculture and natural resource development office head, woreda cooperative development office workers, mareko woreda farmers' cooperative union manager, union market facilitator, woreda agriculture and natural resource development department head and also other community members.

Table 1 Target population: Primary Cooperatives in Mareko Woreda (1994-2022).

Types-of Cooperatives	No	Number of Members			Capital		
	Coops	Male	Female	Total	Running	Asset	Total
Multipurpose	18	861	381	1242	52,906	547211	600,117
Grain(crops) marketing	2	28	2	30	2728	110,000	112,726
SACCOs	28	1024	1273	2287	1,020,673	1,03,457	1,124,130
Improved pepper Seed Production	1	44	34	78	81,459	340,000	421,459
Improved-Seed Production	3	168	19	187	400,000	300,000	700,000
Small-scale irrigation	13	205	96	301	12550	-	12,550
Consumers coop	2	199	144	344	4,53,000	-	4,53,000
Solar light coop	2	75	6	81	12,000	-	12,000
Total	68	-	-	4,560	1,691,901.90	470,641	4,162,542

Source: Mareko Woreda Cooperative Development Office 2022 Annual Report

3.4.2. Sample and Sample Size Determination

3.4.2.1. Sampling Techniques

According to Catherine Dawson (2009), the correct sample size in a study is dependent on the nature of the population and the purpose of the study. Although there are no general rules, the sample size usually depends on the population to be sampled. In this study to select sample size, a list of the population formally registered cooperative members until 2022 by the Mareko Wereda Cooperative Development Office would be obtained. The random sampling methods would be used to accommodate different techniques at a time. Firstly, Mareko Woreda would be selected purposively for this study because it has a larger number of multipurpose of farmers' primary

cooperatives which operate in the supply of different agricultural products and services. Secondly, a purposive sampling technique would be used to come up with twenty (20) kebeles out of 26 kebeles in the administrative location of Mareko woreda . Here the rational beyond selecting these kebeles was the availability of maximum number of primary cooperatives in these kebeles which are more organized and early established than multipurpose cooperatives in other kebeles and the rest of the cooperative established in other kebeles were very recent. Thirdly, out of the total multipurpose primary cooperatives that would be comprised under selected kebeles in the Woredas, eight (8) multipurpose primary cooperatives would be selected through simple random sampling method. Finally, from the total population of the study 4546 i.e. 96 are committee members from these five committee members would be taken each cooperative purposely which was 40 in number. In order to get reliable study the researcher deducted 156 newly registered members from the total target population. Finally Sample of 227 sampled respondents or committee and members of cooperatives would be selected using stratified random sampling as respondents mainly to collect primary data. The stratification would be based on the type of multipurpose farmers' cooperative.

In addition to the purpose of the study and population size, three criteria usually would need to be specified to determine the appropriate sample size, the level of precision, the level of confidence or risk, and the degree of variability in the attributes being measured (Miaoulis and Michener, 1976). According to Yamane (1967:886) provides a simplified formula to calculate sample sizes. This formula was used to calculate the sample sizes in Tables 3.3 and is shown below. A 95% confidence level and P= .5%

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

Where n is the sample size, N is the population size, and e is the level of precision.

$$n = \frac{N}{} = \frac{350}{} = 187$$

$$1 + N(e)^2 \qquad 1+350(0.05)^2$$

Accordingly, *187* respondents would be selected from the total of 350 multipurpose Cooperative members 'and also 40 cooperative committee would be taken purposely .Finally 227 respondents would be selected from 8 sample multipurpose farmers' primary cooperatives. Therefore each sample size would be taken on proportional basis.

Table 2 Information regarding computation of sample size (sample frame)

No	Types-of Cooperatives Multipurpose	Selected-Sample cooperative name	Number of cooprative leaders	sample-population formula-ni=n/N*total sample size(33%)	sample size
1		kosheAkakabi multipurpose	*5*	[150/350)x 187)=	*80*
2		Didahalibo multipurpose	*5*	[(29/350)x 187)=	*17*
3		Kunokeretefa multi-purpose	*5*	[(27/350) x 187]=	*14*
4		Semen Koshe multipurpose	*5*	[(35/350) x 187]=	*19*
5		Shernto1-multipurpose	*5*	[(21/350) x 187=	*11*
6		DidaMidora multipurpose	*5*	[(40/350) x 187]=	*21*
7		Mekakelgna multipurpose	*5*	[(27/350) x 187]=	*14*
8		Udasawasha waira Multipurpose	*5*	[(21/350) x 187]=	*11*
	Total		40	40+187=227	*187* ***227***

Source: Researcher own survey, 2022

In addition to this, the interviews would be administered on the sample of 15 members out of 546; that means, Woreda cooperative leaders would be selected by using purposive sampling method. The actual distribution of the sample size of each stratum should be provided before data collection at the study site.

finally this study supported by data obtained from cooperatives document by evaluating its common character, from the managers or committee of cooperatives and also from key informant

those involve in the study would be analyzed by descriptive analysis with together T-test statistical tests.

3.5. Data Collection Tools

The tools would be developed based on the objectives of the study and research questions. The principles of questionnaires such as, use simple and clear languages, statements were not be too long and use of appropriate punctuations would be considered when developing the tools.

3.5.1. Questionnaire

The layout of the questionnaire would be kept very simple to encourage meaningful participation by the respondents. The questions were keeping as concise as possible with care to be taken to the actual wording and phrasing of the questions. The reason for the appearance and layout of the questionnaire are of great importance in any survey where the questionnaire was to be completed by the respondent focused on searching factors that affect the performance of farmers' primary multipurpose cooperatives in Mareko Woreda. The data would be collected by using both close and open ended question and also likert scale. After the selection one day orientation and discussion about the objectives of the survey and discussions on each question would be undertaken.

3.5.2. Key Informant Interview

To collect in-depth information 16 key informants were selected by using purposive sampling technique based on their experience and took part in semi-structured interviews from different concerned bodies, i.e. 8 respondents from Mareko Woreda Cooperative Development Office and Head of Woreda Agriculture and Natural Resource Development Office, 8 respondents from the 8 kebeles including cooperative development agent of the kebeles and agriculture and Natural Resource Development agent (DA) in the kebeles.

3.5.3. Focus Group Discussion

Obtained additional information from the three Focus Group Discussions in kebele clusters were conducted with 16 focus group discussion participants which were selected by using purposive sampling technique from 8 farmers' primary cooperatives leaders. The justification for purposive

selection of these participants is based on their position and experience. Focus group discussion was administered by the researcher and the discussion central points were those internal and external factors affecting the performance of farmers' primary cooperatives as well as their attitude towards cooperatives.

3.5.4. Observation and document review

The researcher's observation of the conditions and the changes in the sample area helps the other tools of data collection. Concerning observation field notes and pictures would be collected to supplement interview and focus group discussion and document review was applied.

3.6. Data collection Procedures

With respect to ethical considerations, the permission of Mareko Woreda Administration would be asked through official letters from wolkite and Guraghe Zone Administration for gathering the data from sample cooperatives. Informed verbal consent would be obtained, privacy and confidentiality to be maintained. Therefore, all the research participants included in this study would be appropriately informed about the purpose of the research and their willingness and consent would be secured before the commencement of distributing questionnaire and asking interview questions. Although all interview sessions would be tried to tape-record, it is impossible as the respondents were not voluntary. Regarding the right to privacy of the respondents, the study was maintaining the confidentiality of the identity of each participant. In all cases, names would be kept confidential thus collective names like 'respondents' would be used.

3.7. Variables and Measurement

According to Rami and Ahmed, (2007) the selection of performance measures that reflect the true situation of small businesses with some degree of certainty and reliability are indeed a crucial process. The lack of universally accepted standard performance measures left the door open to business organizations to decide and choose its own performance measures.

As stated in USAID (2009) there are four categories of measurements for tracking cooperatives success which include cooperatives financial profitability, measures relating to the larger social

purpose of cooperatives (membership and participation), effectiveness of top organizations and evaluation of broader economic policy, legal and regulatory environment. In this study, profit ratio related to improve on income level, improve production level and member satisfaction would be used as the measure of the dependent variable performance of the cooperatives involved in the survey farmers' primary multipurpose cooperatives performance. The independent variables are policy regulation, member's participation, infrastructure, marketing, financial, management skill and internal structure variables. .

3.8. Methods of Data Processing and Analysis

3.8.1. Data Processing

The method of data processing in this study would be manual and computerized system. In the data processing procedure editing, coding, classification and tabulation of the collected data could be used. Data processing had two phases namely: data clean-up and data reduction. During data clean-up the collected raw data would be edited to detect anomalies, errors and omissions in responses and checking that the questions were answered accurately and uniformly. The process of assigning numerical or other symbols come next which was used to reduce responses into a limited number of categories or classes. After this, the processes of classification or arranging large volume of raw data into classes or groups on the basis of common characteristics would be applied.

3.8.2. Data Analysis

The information that was gathered from various sources was analyzed qualitatively and quantitatively. Quantitative data was analyzed in the tabular form using percentage, frequency, mean value, standard deviation, t-test and p-value. The scores of each item was organized, statistically compiled and entered into SPSS version 20 to analyze the data obtained through closed-ended questionnaire. The questions were constructed for each objectives based on dichotomies questions and Likert Scale. Accordingly, close ended item was formulated in four and five point likert scales. The four point likert scale questions were formulated using: (4=strongly agree, 3= agree, 2=disagree and 1= strongly disagree). For each item, the responses frequency and its corresponding percentage of the two positive response categories (i.e. strongly agree and agree) were added to be represented as (agree); and the responses of the other two

negative response categories (i.e. disagree and strongly disagree) were summed to form (disagree). On the other way, the five point likert scale questions were constructed using: 5=, strongly satisfied 4= satisfied, 3= undecided 2=dissatisfied and 1=.Strongly dissatisfied With reference to this scale, the responses frequency and its corresponding percentage of each item were added to be represented as (satisfied) for the first two positive scales (i.e. strongly satisfied and satisfied); the responses for last two negative scales (i.e dissatisfied and Strongly dissatisfied.) were summed to be regarded as (low); and the responses frequency and its corresponding percentage rated as (undecided) were used as neutral response.

The data collected from Semi-structured interview, and open ended question items was analyzed qualitatively. The recorded notes of interview were transcribed; categorized and compiled together into theme and translated from Amharic back to English. The result of open-ended questions and focus group discussion were summarized and organized with related category. Analysis and interpretations were made on the basis of the questionnaires, interviews, and key informant interview. The results of both qualitatively and quantitatively analyzed data were concurrently combined and interpreted. Finally, to supplement descriptive analysis, dependent and independent variables were entered into the T test statistical test to reveal the relationship among them and to have valid conclusion.

3.8.3. Validity and Reliability of the Instrument

In order to gather appropriate data, it was necessary to have reliable and valid data gathering instruments. Initially the questionnaire was prepared by the researcher. The style of the language and the meaning they convey was checked and commented by two language experts; one teaching English language in Koshe preparatory secondary school in the study woreda. To enhance content validity, some appropriate and adequate items relevant to the research objectives were added in the questionnaire based on the comments, and translated to Amharic by those language experts.

The participants in the pilot study were 2 cooperative committees from both cooperatives, 6 members from semen Koshe and from Koshe akababi multipurpose farmer's cooperatives. Totally 8 respondents were involved in the questionnaire pilot study. The data was gathered twice from the same respondents within two weeks. Cronbach‟s alpha was computed using

SPSS version 20 to for internal consistency and result a Cronbach‟s alpha of .771 which was found to be acceptable as very good. Besides, the pilot revealed that the study questions prepared were seen to be researchable. The procedures tried out to obtain and analyze the data were found to be correct, with few identified and refined problems, to effectively implement the main study.

CHAPTER FOUR RESULT AND DISCUSSION

4.1. Introduction

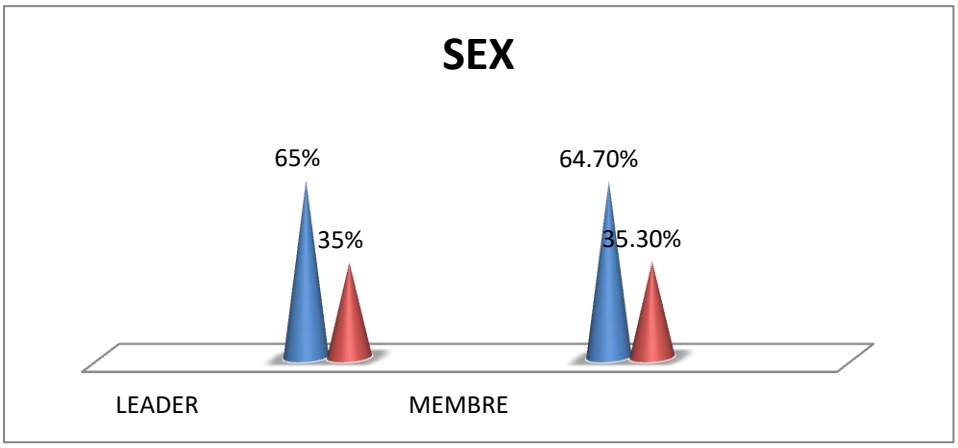
The purpose of this study is to assess factors those affecting the performance of multipurpose farmers primary Cooperatives in Mareko Wereda,Guragha Zon . How far, the members and committee as well as different official are aware on the factors affecting the performance of multipurpose farmer's cooperatives. Data were collected from members and different cooperative leaders and official found in Mareko woreda cooperative development office. Two hundred twenty seven questionnaires were distributed across the eight affiliated primary multipurpose farmer's cooperatives in woreda, Fortunately, all of the respondents were completed and retrieved successfully, representing 100% response rate. Additionally, semi-structured interview with cooperative leader, some officers of woreda cooperative office and union representative were conducted to supplement data that have been collected through questionnaires.

In this chapter, the results of the study are presented and discussed in detail to address the three specific objectives of the study and it is structured in the following way. Primarily, the demographic characteristics and general information about respondents presented and discussed. Secondly, data gathered through questionnaire, focus group discussion, key informant interview, and documents were analyzed side by side or simultaneously. Finally, to supplement descriptive analysis, dependent and independent variables were entered into the T- test statistical test to reveal the relationship among them and to have valid conclusion. Here, key issues are discussed thoroughly and analyses were made in different perspectives.

4.2. Demographic characteristics of respondents

Demographic characteristics of respondents were one of the important determinants of economic activities, decision making and assessing the overall economic, political and socio cultural issues. Specifically, for this study, on understanding of multipurpose farmer's primary cooperatives activities .the key characteristics of respondents including gender, age, marital status, and educational status and experience.

Figure, 4.2.1. Regarding Sex analysis of respondent



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Figure 4.1 the distribution of cooperative leaders and members by sex

Source: Researcher own survey, 2022

As it can be observed from the above figure 4.1 majority of them shows 65% and 64.7% of cooperative leaders and cooperative members had confirm that male. Whereas 35% and 35.3% respondents' of cooperative leaders and cooperative members constituted females .Which indicate that the proportion of male/female respondents is by far unequal. This is because; the number of females in the membership is very much limited. Here, it is easy to observe the unequal participation of both sexes in the membership and most of the time males have the tendency to be organized and form cooperatives than females; the later spend most of their time by conducting household activities rather than conducting business activities outside the home.

Table 3 Regarding the age analysis of respondents

No	Age	**Cooperatives leaders**		**Cooperatives members**	
		Frequency	**Percentage**	**frequency**	**Frequency**
1	18__33	9	22.5	41	21.9
2	34__48	23	57.5	107	57.2
3	49__69	7	17.5	33	17.6
4	69 yrs and above	1	2.5	6	3.2
	Total	40		187	

Source: Researcher own survey, 2022

With regard to age of the respondents in the figure 4.2.1, indicate that cooperative leaders and cooperative members had responded that, majority of them, about 57.3% and 57.7% respondents were ranged in the age between 34 to 48 years respectively. This age group is mostly assumed to be mature and productive power. On the other hand 22.5% and 21.9% of cooperative leaders and cooperative members' respondents were ranged beteween18-33 years respectively. Accordingly, 7.5% and 17.6% of cooperative leaders and cooperative members' respondents were ranged between 49-63 years respectively. The rest 2.5% and 3.2% of both respondents had ranged in the age above 64 years. Based on this data it is possible to understand that majority of the respondents were expected to be more matured age and productive power in relation to manage their families responsibility and performance of multipurpose farmers primary cooperative

Table 4. Regarding the marital status analysis of respondents

	Age	**Cooperatives leaders**		**Cooperatives members**	
		Frequency	**Percentage**	**frequency**	**Frequency**
1	Married	30	75	146	78.1
2	Single	4	10	16	8.6
3	Divorced	4	10	16	8.6
4	Widowed	2	5	9	4.8
	Total	40		187	

Source: Researcher own survey, 2022

With regard to marital status of respondents in the table 4.2.2 indicate that 75% and 78. % of cooperative leaders and cooperative members were married respectively. On the contrary single and divorced respondents consisted of 10% and 8.6% and also 10% and8.6% respectively. The rest 5% and 4.8% cooperative leaders and members were widowed respectively. Based on this, majority of cooperative leaders and members have shown high commitment and responsibility to participating in multipurpose farmers cooperatives. From this the researcher infers that the almost all leaders and member of multipurpose cooperatives were they take high responsibility and special attention regarding active involvement in the multipurpose farmer's cooperatives in study area.

Table 5 Regarding educational background analysis of respondents

No	Items	Cooperative leaders		Cooperative members	
		Frequency	Percentage	frequency	Percentage
1	Non-formal education	15	37.5	70	37.4
2	Literacy	10	25	48	25.7
3	Elementary school	11	27	50	26.7
4	Secondary school	3	7.5	13	7
5	Diploma and above	1	2.5	6	3.2
	Total	40		187	

Source: Researcher own survey, 2022

With regard to educational status of respondents in the table 4.2.3, the survey result shows that many of the respondents' 37.5% and 37.4% cooperative leders and cooperative members respectively were non-formal education. While the respondents 25% and 25.7% cooperative leaders and cooperative members respectively were literate (can write and read). The rest 27.5% and 26.7%, 7.5% and 7% of cooperative leaders and cooperative members have who attended formal education that is in primary and secondary levels which accounts (35%).

Finally the respondents who attended above diploma level accounts for about 2.5% and3.2% respectively. From the above data, it is possible to understand that, most of cooperative leaders and members have very low educational back ground that might have hinder them to understand their duties and responsibilities that may contribute for poor participation in the multipurpose farmers cooperatives.

Table 6.Regarding family size Analysis of respondents

Family size	Cooperative Leaders		Cooperative Members	
	Frequency	Percentage	Frequency	Percentage
1_4	8	20	40	21.4
5-8	24	42.8	107	57.2
9_12 and above	8	20	40	21.4
	40		187	
Total	227			

Source: Researcher own survey, 2022

The above table 4.2.4 reveals that the majority of the sample respondents of cooperative leaders and members concerning their family size were accounts 20% and 21.4% of the respondents have confirms that its family members were ranged between 1 u p t o 4. On the contrary 42.8% and 58.2% of cooperatives leaders and members confirm that the numbers of family members are ranged beteween5-8 respectively.

The rest 20% and 21.4% of cooperative leaders and cooperatives members its number of family members were ranged between 9-12 and above respectively. Average family size is estimated to be 5.4 i.e. about 5 family members per household. This shows that number of each family needs good participation in income generation activities and new job opportunity for their family.

Table 7.Experiences status analysis of respondents

	Age	Cooperatives leaders		Cooperatives members	
		Frequency	**Percentage**	**frequency**	**Frequency**
1	3-5 years	23	57.5	110	58.8
2	6-8 years	10	22.5	48	25.7
3	9-10 years and above	7	20	29	15.5
	Total	40		187	

Source: Researcher own survey, 2022

With reference to the 4th item in table 4.2.5 above indicate that 57.5% of cooperative leaders had an experience of the total sample size were three years to five years experienced and 58.8% of cooperative members had the same years of experiences . Hence there were not much experienced. On the other hand, 22.5% of cooperative leaders were found to be 6 to 8 years experienced and 25.7% of cooperative members were the same experienced .The rest 20 % 15.5% and of cooperative leaders found 9 to10 years and above experienced respectively. This implies that there was, less experiences in participating in the multipurpose farmers' cooperatives which can have lack of adequate skills of managing and assisting the new members with various social backgrounds, needs, experiences and managing styles in relation to the overall activities of multipurpose farmer's cooperatives in the study area.

Cooperatives members' participation .The management of cooperative is composed of three separate and distinct groups: members, directors and managerial staff. It requires the active participation of all three categories to make the cooperative well-coordinated. Members formulate policies by adopting the articles of incorporations and bylaws, and through action taken at annual and other meetings. However, they delegate to the board of directors the responsibility of translating these policies into action. It is the duty of directors to safeguard the interest of members. The directors/ cooperative committee hire and supervise the manager and others qualified personnel to carry out the activities of the cooperative. They interpret the policies of the members and take the necessary steps to put them into effect. The directors prescribe how the association has to operate to carry out most effectively the expected wish of the

members. If these procedures are kept, the members' participation should be maximized otherwise leading them to minimize.

Table 8. the level of member participation in multipurpose farmers' cooperative in relation to performance

Items	Respondents Leaders=40, Members=187, total= 227	Yes		No		NC		M	SD	T-value	P Value
		F	%	F	%						
Do you think about the new membership involvement increasing in your cooperative?	Leaders	14	35.0	6	15	20	50	2.15	.921	-19.741	.000*
	Members	66	35.3	26	13.9	95	50.8		..628		
	Total(Av)							1.63	.437		
Do you think about after joining as member in cooperatives increase your productivity?	Leaders	9	22.5	28	70	3	7.5	1.38	..628	-9.543	.000*
	Members	41	21.9	130	69.5	16	8.5	1.47	.674		
	Total(Av)										
Do you think you and your cooperative have profitable?	Leaders	24	60	16	40	-	-	1.40	.1.032	-12.184	.000*
	Members	119	63.6	68	36.8			1.44	.641		
	Total(Av)										
Do you take dividend payment from your cooperative?	Leaders	16	40	24	60	-	-	1.60	.496	-21.686	.000*
	Members	76	40.6	111	59.4			1.72	.482		
	Total(Av)										
Are you actively participating in cooperative by selling and buying products and goods?	Leaders	19	47.5	21	52.5			1.53	.506	-18.466	.000*
	Members	87	46.5	100	53.5			1.65	.492		
	Total(Av)										
Does the cooperative provide improved seeds, fertilizers and goods at the right time for its member?	Leaders	29	72.5	11	27.5			3.81	.500	9.955	.0217
	Members	133	71.1	54	28.9			3.41	.454		
	Total(a v)										

Source: Researcher own survey, 2022

Key: F=frequency, SD=standard deviation, GM=grand mean=Scale: very low (1.0-1.49), 1.5-2.4 (low), 2.5-3.49 (moderate), 3.5-4.49 (high) & 4.5-5 (very high)=*p< 0.05

In item 1 of Table 4.2.6 above indicates that, cooperative committee and members were asked to rate the level of their agreement on the new membership involvement in your cooperative is an important idea. Based on this, majority 50% and 58% of respondents can confirm their agreement no change happed in new membership involvement in multipurpose farmers' cooperatives. Whereas35% and35.5% of cooperative committee and members had rate the level of their

agreement on the new membership involvement in your cooperative were confirms that increased membership.

However the rest 15% and 13.9% of respondents explained by their agreement on did not show increment in multipurpose farmers cooperatives.. The mean value of cooperative leaders (M=2.15, SD=0.921) rated as low and the mean value of cooperative members (M=2.24, SD=1.032) rated as low. Furthermore, the respondents‟ responses t-test was calculated to support the findings. Accordingly, the result was identified as t-value (-19.741) is less than critical t-value (1.96) at alpha value of .05 denotes there is no significant variation between the respondents‟ response with regards to the mentioned item. Therefore, from the computed mean and t- test value it is concluded that cooperative members and leaders have the same view. From this the researcher reveled that, the majority of the members or the sampled households were replied that dissatisfied on the overall performance of their cooperative. Due this reason the new members cannot join freely and easily in the multipurpose farmers' cooperative.

In addition to the survey result, the focus group discussion and key informant participants indicate that, the trend in new membership involvement was insignificant, because our cooperatives was cannot appreciate and promoted the existing members in good manner and also it cannot provide dividend payment on time due to this reasons new members were can not join easily in the multipurpose cooperatives.

With regard to item 2 of Table 4.2.6 above indicates that, cooperative committee and members were asked to rate the level of their agreement on about after joining as cooperatives member it increase productivity is an important idea. Based on this, majority 70% and 69.5% of respondents can confirm that their agreement on after joining as cooperatives member didn't increase productivity of members in the multipurpose farmers' cooperatives. Whereas22.5% and 21.9% of cooperative committee and members had rate the level of their agreement on joining as cooperatives member that increase productivity were the respondents confirms that increased productivity of members. However the rest 7.5% and 8.5% of respondents explained by their agreement had did not show any change in multipurpose farmers' cooperatives.

The mean value of cooperative leaders (M=1.38, SD=0.628) rated as very low and the mean value of cooperative members (M=1.47, SD=0.678) rated as very low. Furthermore, the

respondents‟ responses t-test was calculated to support the findings. Accordingly, the result was identified as t-value (-9.543) is less than critical t-value (1.96) at alpha value of .05 denotes there is no significant variation between the respondents‟ response with regards to the mentioned item. Therefore, from the computed mean and t- test value it is concluded that cooperative members and leaders have the same view. From this the researcher reveled that, after joining as cooperatives member in the multipurpose farmers cooperatives the members were cannot get production increment and the production increment below expected level which is negatively affecting the performance of farmers primary cooperatives in the study area.

With regard to item 3 of Table 4.2.6 above indicates that, cooperative committee and members were asked to rate the level of their agreement on about your cooperative have profitable. Based on this, majority 60% and 63.6 % of respondents can confirm that their agreement on our cooperative have didn't profitable. Whereas 40% and 36.8 % of cooperative committee and members had rate the level of their agreement on multipurpose farmers' cooperative have profitable. The mean value of cooperative leaders (M=1.40, SD=1.032) rated as very low and the mean value of cooperative members (M=1.44, SD=0.641) rated as very low.

Furthermore, the respondents‟ responses t-test was calculated to support the findings. Accordingly, the result was identified as t-value (-12.184) is less than critical t-value (1.96) at alpha value of .05 denotes there is no significant variation between the respondents‟ response with regards to the mentioned item. Therefore, from the computed mean and t- test value it is concluded that cooperative members and leaders have the same view. From this the researcher reveled that, almost all cooperative have didn't profitable which is negatively affecting the performance of multipurpose farmers cooperatives and its members in the study area .

With respect to item 4 of Table 4.2.6 above indicates that, cooperative committee and members were asked to rate the level of their agreement on about taking dividend payment from their multipurpose farmers' cooperative. Based on this, majority 60% and 59.4 % of respondents can confirm that their agreement show that didn't have taking dividend payment from their multipurpose farmers' cooperative Whereas 40% and 40.6% of cooperative committee and members had rate the level of their agreement on taken dividend payment from their multipurpose farmers' cooperative. The mean value of cooperative leaders (M=1.60, SD=0.496) rated as very

low and the mean value of cooperative members (M=1.72, SD=0.482) rated as very low. Furthermore, the respondents‟ responses t-test was calculated to support the findings.

Accordingly, the result was identified as t-value (-21.686) is less than critical t-value (1.96) at alpha value of .05 denotes there is no significant variation between the respondents‟ response with regards to the mentioned item. Therefore, from the computed mean and t- test value it is concluded that cooperative members and leaders have the same view. From this the researcher reveled that, almost all cooperative have didn't pay dividend or surplus on time for their members which is negatively affecting the performance of multipurpose farmers cooperatives and its members in the study area .

In addition to the survey results, the focus group discussion and key informant participant confirm that, even if our multipurpose farmers cooperatives have profitable as compeer to others but still we cannot get dividend or surplus or it cannot pay dividends or surplus on time for their members due to this reasons many of cooperative members were applied to resin from membership from the multipurpose farmers cooperatives and also the new members have didn't interested to join in the multipurpose farmers' cooperatives in the study area.

With regard to item 5 of Table 4.2.6 above indicates that, cooperative committee and members were asked to rate the level of their agreement on actively participating in cooperative by selling and buying agricultural products and goods .Based on this, majority 52.5% and 53.5 % of respondents can confirm that the multipurpose farmers were didn't have actively participating in cooperative by selling and buying agricultural products and goods .Whereas 47.5% and 46.5% of cooperative committee and members had rate the level of their agreement were actively participating in the multipurpose farmers' cooperative by selling and buying agricultural products and goods. The mean value of cooperative leaders (M=1.53, SD=0.565) rated as very low and the mean value of cooperative members (M=1.65, SD=0.492) rated as very low.

Furthermore, the respondent's responses confirmed by t-test it was calculated to support the findings above. Accordingly, the result was identified as t-value (-18.466) is less than critical t-value (1.96) at alpha value of .05 denotes there is no significant variation between the respondents response with regards to the mentioned item. Therefore, from the computed mean and t- test value it is concluded that cooperative members and leaders have the same view. From this the

researcher reveled that, majority of members didn't have actively participating in cooperative by selling and buying agricultural products and goods from their multipurpose farmers' cooperative which is negatively affecting the performance of cooperative and its members in the study area.

In addition to the closed ended survey results, the open ended questions were confirmed that, many of the members including some committee members have sold and bout agricultural products and goods from private traders. With the same sinairio the focus group discussion and key informant participant confirm that, almost all of multipurpose farmers' cooperative members have didn't participating by selling and buying agricultural products and goods from their multipurpose farmer's cooperatives. Because the multipurpose farmers' cooperative have didn't start marketing on reliable time means that mostly the farmers need the market access at the first harvest and at the end of harvesting time , because we get good price on this time . Even if multipurpose cooperative started on time it cannot pay good price as compeer to privet traders.

With regard to item 6 of Table 4.2.6 above indicates that, cooperative committee and members were asked to rate the level of their agreement on the cooperative provide improved seeds, fertilizers and goods at the right time for its member .Based on this, majority 72.5% and 71.1 % of respondents can confirm that the multipurpose farmers' cooperative provide improved seeds, fertilizers and goods at the right time for its member. Whereas 27.5% and 28.9% of cooperative committee and members had rate the level of their agreement were the multipurpose farmers' cooperative have didn't provide improved seeds, fertilizers and goods at the right time for its member .The mean value of cooperative leaders (M=3.81, SD=0.565) rated as very high and the mean value of cooperative members (M=3.14, SD=0.492) rated as very high Furthermore, the respondent's responses confirmed by t-test it was calculated to support the findings above. Accordingly, the result was identified as t-value (9.955) is greater than critical t-value (1.96) at alpha value of .05 denotes there is no significant variation between the respondents response with regards to the mentioned item. Therefore, from the computed mean and t- test value it is concluded that cooperative members and leaders have the same view. From this the researcher reveled that, majority of members have cooperative provide improved seeds, fertilizers and goods at the right time for its member in the multipurpose farmers' cooperative this is positively affecting the performance of cooperative and its members in the study area . In addition to the closed ended survey results, the open ended questions were confirmed that, many of the members

including some committee members have confirms that almost all members have received some services in multipurpose farmer's cooperatives especially for fertilizer and agricultural inputs. But not others activities they get always in the study area.

Table 9. Regarding the level of satisfaction in relation to service delivery in multipurpose farmer's cooperatives.

Items	Respondents Leaders=40, Members=187, total= 227	VSA		UD		VDISA		M	SD	T-value	p-value
		F	%	F	%	F	%				
Received dividend refund or surplus payment on time	Leaders	3	7.5	3	7.5	34	85	1.32	.474	-15.185	.000*
	Members	11	5.9	15	8.0	161	87.9	1.86	.948		
	Total(Av)										
Received price information and access to finance	Leaders	1	2.5	3	7.5	36	90	1.70	.464	-12.005	.000*
	Members	15	27	3	7.5	172	92	1.70	.952		
Members received transportation service	Total(Av)										
	Leaders	36	90	3	7.5	1	2.5	4.21	.691	17.645	.0781*
	Members	171	91.4	11	5.9	5	2.15	4.20	.687		
Provide better price than other traders	Total(Av)										
	Leaders	2	5	2	5.0	36	89.5	1.70	.883	-17.338	.000*
	Members	7	28	9	4.8	171	91.5	1.69	.836		
	Total(Av)										
Provide service delivery by cooperative standard	Leaders	1	2.5	2	5.0	37	92.5	1.40	.496	-12.268	000*
	Members	5	2.15	10	5.3	172	92	2.70	.966		
	Total(Av)										

Source: Researcher own survey, 2022

Key: F=frequency, SD=standard deviation, GM=grand mean=Scale: very low (1.0-1.49), 1.5-2.4 (low), 2.5-3.49 (moderate), 3.5-4.49 (high) & 4.5-5 (very high) =*p< 0.05
Vst = very satisfied, Ud = undecided, Vdisa= very dissatisfied

Multipurpose farmers primary cooperatives are expected to render various services like, dividend refund or surplus payment on time, price information and access to finance, transportation services, Better price than other traders in genuine scaling, management/ expert advice and

providing service delivery by cooperative standard. Concerning to cooperative services delivery and satisfaction analysis in this study, the following was observed. Observation was analyzed by summing up very satisfied, moderately satisfied and satisfied categories as (satisfied) and dissatisfied / very dissatisfied categories as (dissatisfied).

In item 1 of Table 4.2.7, cooperative committee and members were asked to rate the level of their agreement on providing dividend refund or surplus payment on time is an important idea. Based on this, majority 85% and 89% of respondents were confirmed that their agreement by provided dividend refund on time were dissatisfied; however the rest 3% and15% of respondents explained by their agreement on provided dividend refund or surplus payment on time is satisfied. The mean value of cooperative leaders (M=1.32, SD=0.474) rated as very low and the mean value of cooperative members (M=1.86, SD=948) rated low. Furthermore, the respondents‟ responses t-test was calculated to support the findings. Accordingly, the result was identified as t-value (-15.185) is less than critical t-value (1.96) at alpha value of .05 denotes there is no significant variation between the respondents‟ response with regards to the mentioned item. Therefore, from the computed mean and t- test value it is concluded that cooperative members and leaders have the same view. From this the researcher reveled that major service delivery of the multipurpose cooperatives ‘did not satisfied its members and leaders in every indicators.

In item 2 of Table 4.2.7, cooperative committee and members were asked to rate the level of their satisfaction level on received price information and access to finance is an important idea. Based on this, majority of them 90% of cooperative committee and 92% of member respondents they described their agreement on the idea of the item their confirm dissatisfied by the access to finance and price information; Whereas some 10% of the respondents report shows that satisfied by their cooperative they explained by their agreement on received price information-and-access-to-finance. However the rest 7.5%-of cooperative leaders and members respondents confirm that undecided by the item as mentioned-above. In addition, the mean value for cooperative leaders or committee (M=1.95, SD=0.777) ranked as very low and cooperative members (M=1.81, SD=0.720) rated low. To support this finding by comparing the respondents‟ response t-test was computed. As a result, it was identified that t-value (-12.005) is smaller than critical t-value (1.96) at alpha value of .05 denotes no significant variation between the respondents‟ response with regards to mentioned item. Therefore, from the

computed mean and t-test value it is deduced that cooperative leaders and members have cannot satisfy by access to finance and price information.

According to item 3 of Table 4.2.7, above, 90% and 91% of cooperative leaders and members respectively replied that receiving transportation service has satisfied .whereas 2.5% and 2.15% of cooperative leaders and members responded that receiving transportation service has cannot satisfied .The rest 7.5% and 5.9% both respondents say undecided. Besides, the mean value of cooperative leaders (M=4.21, SD=0.691) rated very high and cooperative members (M=4.20, SD=0.687) rated as very high to the item they were asked to rate their agreement. There is variation between cooperative leaders and cooperative members‟ response since the calculated t-value (17.645) is greater than the obtained t-value (1.96) from the table. This situation showed both cooperative leaders and members have highly satisfied by the transportation service. From this, it is possible to conclude that the transportation service has not the main problem for multipurpose cooperatives in the study area.

In item 4 of Table 4.2.7, above, respondents were asked to rate their of satisfaction level on received better price than other traders teaching .Based on his, majority 89.5 % and 91.5 % of cooperative leaders and cooperative members respectively reported their satisfaction level on the mentioned item they replied that highly dissatisfied by received better price than other traders . On the other hand, 5% and 7% of cooperative leaders and cooperative members' respondents replied that satisfied by received better price than other traders. Moreover, the mean value of cooperative leaders (M=1.70, SD=0.883) and cooperative members (M=1.69, SD=0.836) rated low. The grand mean score value (GM=) is also ranged as low.

Since the computed t-value (-17.338) is less than the critical t-value (1.96), both groups of respondents have similar views. This indicates that majority of cooperative leaders and members didn't satisfy by service received better price than other traders. From this one can conclude that a numbers of cooperative leaders and cooperative members seem to have cannot get service delivery as per comparative objective and goals.

In item 5 of Table 4.2.7, above, respondents were asked to rate their satisfaction level on providing service delivery by cooperative standard. Majority 92.5 % of cooperative leaders and 92 % of cooperative members respondents have replied that they cannot satisfied by providing service delivery by cooperative standards .where as 2.5% and 2.15% of cooperative leaders and

cooperative members' respondents replied that satisfied by providing service delivery by cooperative standard.

Furthermore, the mean value for cooperative leaders were (M=1.40, SD=0.496) rated as very low and cooperatives members (M=2.70, SD=0.968) rated as very low. Besides, the aggregated mean rated as very high with value (4.62). This revealed that cooperative leaders and cooperative members have they cannot satisfied by providing service delivery by cooperative standards highly Moreover, the result of t-value calculated result shows (-12.268) is less than the critical t- value (1.96) indicates both groups of respondents have the same agreement on the item. From this one can understand and conclude that a numbers of cooperative leaders and cooperative members respondents agreed by providing service delivery by cooperative standards were highly dissatisfied .Due to these reasons multipurpose farmers cooperatives seem to have cannot perform each activity of service delivery by cooperative standards which hinder the overall performance of multipurpose farmers cooperatives in the study area.

Regarding the current Status of multipurpose Farmers' Primary Cooperatives in the Study Area

According to Ethiopian Federal Cooperative Agency "Cooperatives Competency Level Assurance Directive No.018/2015" there are three levels of cooperatives. On the basis of major performance criteria, those cooperatives scored 80% and above categorized as high level, 60% to 79.99% medium level and 40% to 59.99% low level. The results of farmers' primary cooperatives evaluation document review indicated that the cooperatives included in the survey were scored between 40% to 59.99% and categorized as low level clearly had shown their poor performance.

Table10. Regarding factors affecting the performance of multipurpose farmer's primary cooperatives based on indicators

Item	**Respondents** Leaders=40, Members=187 total= 227	**5**		**3**		**1**				**T-value**	**P-value**
		F	**%**	**F**	**%**	**F**	**%**	**M**	**SD**		
Cooperatives are contributing for members as per the required level by providing loan	Leaders	36	90.0	-	-	4	10.0	1.40	.496	-15.595	.000**
	Members	167	89.3	7	3.7	13	6.9	3.17	1.116		
	Total(Av)										
Cooperatives are encouraging agricultural production of members	Leaders	38	95	-	-	2	5.0	1.78	.423	-15.595	.000*
	Members	177	94.7	-	-	10	5.3	3.30	1.014		
	Total(Av)										
Cooperatives are attracting substantial membership and employee	Leaders	37	92.5	-	-	3	7.5	1.68	.474	-13.709	.000*
	Members	172	92	-	-	18	8	3.11	.994		
	Total(Av)									-12.661	.000*
Its profitability is adequate and building quality asset	Leaders	37	92.5	-	-	3	7.5	1.38	.490		
	Members	173	92.5	-	-	12	6.4	2.71	.979		
It is improving the satisfaction of its members through managerial and operational efficiency	Leaders	37	90.5	-	-	2	5	1.05	.221	-22.839	.000*
	Members	172	91.9	-	-	10	5.3	2.84	.959		
	Total(Av)										
It is creating market linkage with better price for members agricultural product	Leaders	37	92.5	1	2.5	2	5	1.10	.304	-18.772	.000*
	Members	172	92	3	1.6	12	6.4	2.73	.987		
	Total(Av)										

Source: Researcher own survey, 2022

Key: F=frequency, SD=standard deviation, GM=grand mean =Scale: very low (1.0-1.49), 1.5-2.4 (low), 2.5-3.49 (moderate), 3.5-4.49 (high) & 4.5-5 (very high) = *p< 0.05, 5= very disagree, 3= undecided, 1=Agree.

According to Table 4.2.8, above indicator 1, respondents replied that the majority of 90% and 89.3 % of cooperative leaders and members respectively were replied that were disagree on the cooperatives are providing for their members sufficient agricultural inputs in time. Whereas 10 % and 5.9% of cooperative leaders and members were responded that agreed on cooperatives are contributing for members as per the required level by providing loans. The rest 3.5% of

respondents say undecided. Besides, the mean value of cooperative leaders (M=1.40, SD=0.496) rated very low and cooperative members (M=3.17, SD=1.16) rated as very low to the item they were asked to rate their disagreement. This means there is no variation between cooperative leaders and cooperative members‟ response.

Since the calculated t-value (-15.595) is less than the obtained t-value (1.96) from the table. This situation showed both cooperative leaders and members have disagreement on the items above. From this, it is possible to conclude that the responses in all categories of farmers' multipurpose primary cooperatives are statistically significant for disagreement in the issue. Therefore, this result indicates that, cooperatives included in this study did not contribute for members as per the required level by providing loans. In addition, key informant interviewee and focus group discussion participants shared and strengthen this idea.

In item 2 of Table 4.2.8, respondents were asked to rate their agreements on the cooperatives are encouraging agricultural production of its members. Accordingly, 95% of cooperative leaders and 94.7 % of cooperative members confirmed their disagreement .whereas; 5% of cooperative leaders and 5.3 % of cooperative members agreed that the cooperatives are encouraging agricultural production of its members. This shows that lack of encouragement in the multipurpose farmer's cooperatives. This shows that the responses were statistically significant that revealed disagreement on the selected item. This finding indicated that, famers' primary cooperatives did not encourage agricultural production of their members. In the focus group discussion and key informant interview conducted to support this study, the majority of them specified that cooperatives did not play an expected role on encouraging agricultural production of their members in the study area.

As it is indicated in Table 4.2.8, indicator 3, the respondents were asked to rate their agreements on the cooperatives are attracting substantial membership and employee. Accordingly, 92.5% of cooperative leaders and 92 % of cooperative members confirmed their disagreement on the issue. Whereas 3 % and 8 % of cooperative leaders and members were responded that agreed on the cooperatives are attracting substantial membership and employee. Besides, the mean value of cooperative leaders (M=1.87, SD=0.474) ranked as low and cooperatives members (M=3.11, SD=3.30) rated as moderate. This means that there is no variation between cooperative leaders and cooperative members‟ response regarding the above indicators.

Similarly, the calculated t-value (-13.709) is less than the obtained t-value (1.96) from the table. This situation showed both cooperative leaders and members have disagreement on the items above. These results indicated that, cooperatives did not attract substantial membership and employee. Moreover, in the focus group discussion and key informant interview the majority of participants expressed that only few cooperatives show progress in the membership attraction and no cooperative had payable employee. Most of the activities carried out by some committee members irregularly.

Regarding to the indicator 4 of the same Table, the statement cooperatives profitability is adequate and building quality asset the respondents were asked to rate their agreements on the cooperatives are attracting substantial membership and employee were disagree. Accordingly, 92.5% of cooperative leaders and 93.6 % of cooperative members confirmed their disagreement on the issue. Whereas 7.5% and 6.4% of cooperative leaders and members were responded that agreed on Cooperatives profitability is adequate and building quality asset .Besides, the mean value of cooperative leaders (M=2.71, SD=0.490) ranked as low and cooperatives members (M=1.05, SD=0.979) rated as very low. This means there is no variation between cooperative leaders and cooperative members‟ response. Similarly, the calculated t-value (-12.839) is less than the obtained t-value (1.96) from the table. This situation showed both cooperative leaders and members have disagreement on the items above and the response was statistically significant for disagreement of the indicator. In addition to this, during the key informant interview and focus group discussion the ideas were similarly expressed. Therefore, the finding indicated that, cooperatives profitability was not adequate and it cannot building quality asset for their members due to these reasons multipurpose farmers' cooperative has hinder poor performance.

Response in Table 4.2.8 indicator 5, the majority 90.5% and 91.9% of respondents were asked to rate their agreements on cooperatives are improving the satisfaction of its members through managerial and operational efficiency respondents were disagree on the item above. Whereas 2% and 5.3% of cooperative leaders and members were responded that agreed on the above indicators. .Besides, the mean value of cooperative leaders (M=1.05, SD=0.221) ranked as low and cooperatives members (M=2.84, SD=0.959) rated as very low. This means there is no variation between cooperative leaders and cooperative members‟ response. Similarly, the calculated t-value (-22.839) is less than the obtained t-value (1.96) from the table. These findings

indicated that, farmers' multipurpose primary cooperatives did not improve the satisfaction of their members through managerial and operational efficiency.

Concerning indicator 6 in Table 4.2.8, respondents replied that the majority of 92.5% and 92 % of cooperative leaders and members respectively replied that were disagree on the cooperatives are creating market linkage with better price for members agricultural product. Whereas 5 % and 6.4% of cooperative leaders and members were responded that agreed on cooperatives are contributing for members as per the required level by providing loans. The rest 2.5% and 1.6% of respondents say undecided. Besides, the mean value of cooperative leaders (M=1.10, SD=0.304) rated very low and cooperative members (M=2.13, SD=0.984.16) rated as very low to the item they were asked to rate their disagreement. This means there is similar view between cooperative leaders and cooperative members‟ response .Similarly, the calculated t-value (-22.839) is less than the obtained t-value (1.96) from the table. From this the researcher concludes that the multipurpose farmers' cooperative have didn't create market linkage with better price for member's agricultural product. In relation to this, in key informant interview and focus group discussion participants support this study they specified that our cooperatives have didn't create or provide sufficient amount of market linkage with better price for member's agricultural product especially for tomato and onion.

The researcher, in this cross-sectional survey study, has tried to thoroughly assess the empirical evidence with respect to the second objective "to assess the current status of multipurpose farmers' primary cooperatives in terms of performance" in Mareko *Woreda* of Guragha zon. The data in the Table 4.2.8 indicated that the majority of respondents disagree towards all the selected key performance indicators of their respective indicators .In addition to this, in the t –value of statistical test the value of ($p<0.05$) which was less than the significant level (0.05), revealed that the responses were statistically significant on the disagreement of performance.

Factors affecting the Performance of Multipurpose Farmers' Primary Cooperatives

In this sub section respondents were asked to put forward their views on selected major internal and external factors which were experienced by the multipurpose famers' cooperatives members and committees and its performance of multipurpose farmer's cooperatives. Such as:

Internal Factors

In the context of this study internal factors were referred to as those issues that are more related to farmers' primary cooperatives ordinary members and committee members. These factors expressed as indicators of management and related factors. These factors expected to be minimized by internal potential of farmers' cooperative themselves.

Table 11 regarding the member participation in the multipurpose farmer's cooperatives

Items	**Respondents** Leaders=40, Members=187 total= 227	**5**		**3**		**2**		**M**	**SD**	**T-value**	**P-value**
		F	**%**	**F**	**%**	**F**	**%**				
Poor participation in training	Leaders	34	85	1	2.5	5	12.5	2.30	.723		.000*
	Members	157	84	7	3.7	23	12.3	3.12	.323	-24.805	
	Total(Av)										
Poor participation in cooperative governance	Leaders	33	83	3	7.5	7	17.5	2.48	.716		
	Members	154	82.4	16	8.6	17	9.1	3.10	.303	-23.012	
	Total(Av)										
Poor participation to vote in general meeting and election	Leaders	30	75	4	10.0	6	15	2.00	.555		
	Members	141	75.4	18	9.6	28	15	3.13	.533	-22.745	
	Total(Av)										
Poor influencing capacity in the decision making process	Leaders	27	67.5	6	15.0	7	17.5	1.88	.335		
	Members	127	67.9	27	14.4	33	17.6	2.94	.550	-31.062	
	Total(Av)										
Poor attending in every meeting of the cooperatives	Leaders	29	72.5	4	10.0	7	17.5	1.85	.362		
	Members	137	73.3	16	8.6	34	18.2	3.14	.606	-31.636	
	Total(Av)										

Source: Researcher own survey, 2022

***Key: F=frequency, SD=standard deviation, GM=grand mean =Scale: very low (1.0-1.49), 1.5-2.4 (low), 2.5-3.49 (moderate), 3.5-4.49 (high) & 4.5-5 (very high)* = *p< 0.05**

As indicated in Table 4.2.9, item 1 above, majority 85% and 84% of cooperative leaders and cooperatives members' respondent responded that agreed on poor participation in training. On contrary12.5% and 12.3% of cooperative leaders and cooperatives members responded that agreed on the problem which is poor participation in training. Furthermore, the mean value of cooperative leaders (M=2.30, SD=0.723) and cooperatives members (M=3.12, SD=0.323) rated moderate. Similarly the grand mean value marked by both groups of respondents was (GM=3.21) also rated as moderate. Moreover, the calculated t-value (-24.805) is smaller than the critical t-value (1.96), it indicates both respondents have similar opinions on the mentioned item. This means that out of total respondents above (84%) of the respondents that agreed that lack of training or insufficient training reduce participation of cooperative leaders and cooperatives members in the multipurpose farmers' cooperative. This shows that the majority of cooperative leaders and cooperatives members had started working in the multipurpose farmers' primary cooperatives without having well training. Similarly the information which gathered from the document analyses of the sample cooperatives in the study area indicated that both members and leaders or committees' dose not trained in cooperative level as well as woreda level.

Regarding to item 2 of Table 4.2.9, above, 83% and 82.4% of cooperative leaders and cooperatives members' respondent responded that agreed on the problem on poor participation in cooperative governance. On contrary17.5% and 9.1% of cooperative leaders and cooperatives members responded that disagree on the problem which is poor participation in cooperative governance. However rest7.5% and8.6% of respondents replied that neither negatively nor positively on the issue. Furthermore, the mean value of cooperative leaders (M=2.48, SD=0.716) rated as low and cooperatives members (M=3.10, SD=0.323) rated moderate. Similarly the grand mean value marked by both groups of respondents was (GM=2.79) also rated as moderate. Moreover, the calculated t-value (-23.012) is smaller than the critical t-value (1.96), it indicates both respondents have similar opinions on the mentioned item. This means that out of total respondents above (82%) of the respondents that agreed that lack of good or insufficient participation in cooperative governance which is reduce participation of cooperative leaders and cooperatives members in the multipurpose farmers' cooperative. This shows that the majority of cooperative

leaders and cooperatives members had affected by poor governance in the area of multipurpose farmers' primary cooperatives. With respect to item 3 of Table 4.5 above, 75% and 75.4% of cooperative leaders and cooperatives members' agreed on the problem on poor participation to vote in general meeting and election. On contrary15% and 15% of cooperative leaders and cooperatives members responded that disagree on the problem which is poor participation to vote in general meeting and election. However rest10% and 9.6% of respondents replied that neither negatively nor positively on the issue. Furthermore, the mean value of cooperative leaders (M=2.00, SD=0.555) rated as low and cooperatives members (M=3.13, SD=0.533) rated as moderate. Similarly the grand mean value marked by both groups of respondents was (GM=2.56) also rated as moderate. Moreover, the calculated t-value (-22.745) is smaller than the critical t-value (1.96), it indicates both respondents have similar opinions on the mentioned item. This means that out of total respondents above (75%) of the respondents that agreed lack of good or insufficient participation to vote in general meeting and election it reduce participation of cooperative leaders and cooperatives members in the multipurpose farmers' cooperative. From this it is possible to conclude that the cooperative leaders and cooperatives members' had lack of commitment and motivation to vote in general meeting and election in the multipurpose farmers' cooperatives. This is negatively affecting the performance.

As can be seen from item 4 of Table 4.2.9, above, 67.5% and 67.9% of cooperative leaders and cooperatives members' respondent responded that agreed on the problem on poor influencing capacity in the decision making process. On contrary17.5% and 17.6% of cooperative leaders and cooperatives members responded that disagree on the problem of poor influencing capacity in the decision making process. However rest, 15 % and 14.4 % of respondents replied that neither negatively nor positively responded on the issue. Furthermore, the mean value of cooperative leaders (M=1.88, SD=0.335) rated as low and cooperatives members (M=2.94, SD=0.550) rated as moderate. Similarly the grand mean value marked by both groups of respondents was (GM=2.41) also rated as low.

Moreover, the calculated t-value (-31.062) is smaller than the critical t-value (1.96), it indicates both respondents have similar opinions on the mentioned item. This means that out of total respondents above (67.5%) of the respondents that agreed lack of good or insufficient influencing capacity in the decision making process it reduce and degrade the responsibility of cooperative leaders and cooperatives members in the multipurpose farmers primary cooperative.

This result indicates that the participation of members in their cooperative decision making activities was very low and not influential, especially in the planning of activities and approving the annual budget and audit reports. This situation opens the door for mismanagement of resources and lead to corruption. The neglecting of member's from the major cooperative decisions could result dissatisfaction and mistrust to the multipurpose farmers cooperatives and also it would have a negative impact on the future development of cooperatives as a whole.

From this it is possible to conclude that the cooperative leaders and cooperatives members had lack of influencing capacity in the decision making process based on this the multipurpose farmers primary cooperatives had affecting their performance in the study area negatively. In addition to the survey result, the interview results of experts and officials about cooperative leaders and cooperative members' participation in decision making have mostly made by without legal procedure and the accent of general assembly due to this did not have a capacity to influence its members.

With respect to item 5 of Table 4.2.9,above, 72.5% and 73.3% of cooperative leaders and cooperatives members' respondent responded that agreed on the problem on poor attending in every meeting of the cooperatives. On contrary17.5% and 18.2% of cooperative leaders and cooperatives members had responded that disagree on the problem which is poor participation to vote in general meeting and election. However rest10% and 8.6% of respondents replied that neither negatively nor positively on the issue. Furthermore, the mean value of cooperative leaders (M=1.85, SD=0.362) rated as low and cooperatives members (M=3.14, SD=0.606) rated as moderate. Similarly the grand mean value marked by both groups of respondents was (GM=2.49) also rated as moderate.

Moreover, the calculated t-value (-31.636) is smaller than the critical t-value (1.96), it indicates both respondents have similar opinions on the mentioned item. This means that out of total respondents above (72%) of the respondents that agreed lack of good or insufficient attainment in every meeting of the cooperatives it reduce participation of cooperative leaders and cooperatives members in the multipurpose farmers primary cooperative. Based on this, it is possible to conclude that the cooperative leaders and cooperatives members' had lack of attainment in every meeting of the cooperatives in the multipurpose farmers' primary cooperatives had negatively affect their performance in the study area.

Similarly and focus group discussion most of the cooperative members and committees had lived in scattered way and they pass long journey or the information obtained from key informant distance and also most of the time the meeting haled on inappropriate time for members is problems that reduce members' participation in multipurpose farmer's cooperatives. Generally in the above the whole discussion regarding member's participation factors indicated that statistically significant respondents' response on the agreement of member's participations factor potentially affecting the performance of all the multipurpose farmers' cooperatives included in the study.

Table 12 Regarding the internal structure related issue in the cooperatives

No	Items	**Respondents** Leaders=40, Members=187 total= 227	5		3		2		M	SD	T-Value	P-Value
			F	%	F	%	F	%				
1	Lack of member homogeneity	Leaders	29	72.5	4	10.	11	27.5	2.25	.494	-23.240	.000*
		Members	150	80.3	13	7.0	24	12.8	3.21	.483		
		Total(Av)										
2	Poor kebele administrators support for cooperative	Leaders	24	60	6	15.	10	25	1.85	.362	-29.975	
		Members	135	72.2	14	7.5	38	20.3	3.22	.750		
		Total(Av)										
3	Weak recognition by woreda administrator and cooperative office	Leaders	27	22.5	4	10.	9	67.5	2.85	.362	24.323	0.072
		Members	92	241	27	14.4	45	51.2	4.83	.792		
		Total(Av)										
4	Lack of availability of well-structured facilities	Leaders	28	70	4	10.0	8	20	1.85	.362	-27.265	0.00*
		Members	127	67.9	19	10.2	24	12.9	3.84	.624		
5	Lack of information on government regulation and directives	Leaders	30	65	3	7.5	7	17.5	1.75	.439	-27.101	0.00*
		Members	131	70.1	20	10.7	36	19.3	3.91	.542		
		Total(Av)										

Source: Researcher own survey, 2022

Key: F=frequency, SD=standard deviation, GM=grand mean =Scale: very low (1.0-1.49), 1.5-2.4 (low), 2.5-3.49 (moderate), 3.5-4.49 (high) & 4.5-5 (very high) = *p< 0.05

5= Agree, 3=undecided, 1= disagree

Regarding to item 1 of Table 4.2.10, above, 72.5% and 80.3% of cooperative leaders and cooperatives members' respondent responded that agreed on the problem on lack of member

homogeneity. On contrary 27.5% and 12.8% of cooperative leaders and cooperatives members responded that disagree on the problem which is lack of member homogeneity. However rest10 % and7% of respondents replied that neither negatively nor positively responded on the issue. Furthermore, the mean value of cooperative leaders (M=2.25, SD=0.494) rated as low and cooperatives members (M=3.21, SD=0.483) rated moderate. Similarly the grand mean value marked by both groups of respondents was (GM=2.73) also rated as moderate. Moreover, the calculated t-value (-23.240) is smaller than the critical t-value (1.96), it indicates both respondents have similar opinions on the mentioned item.

This means that out of total respondents above (72%) of the respondents that agreed that lack of member homogeneity or the heterogeneity of the membership, can affect the overall performance of the multipurpose farmers' cooperative. This shows that the majority of cooperative leaders and cooperatives members had affected by the heterogeneity nature of members in the multipurpose farmers' primary cooperatives.

From this, concluded that the lack of homogeneity of members had a substantial impact on the poor performance of multipurpose farmers' primary cooperatives.

With respect to item 2 of Table 4.2.10, above, 60% and 72.2% of cooperative leaders and cooperatives members' respondent responded that agreed on the problem on poor kebele administrators support for multipurpose farmers' cooperative. On contrary 25% and 20.3% of cooperative leaders and cooperatives members responded that disagree on the problem which is poor kebele administrators support for cooperative. However rest10 % and 8% of respondents replied that neither negatively nor positively responded on the issue.

Furthermore, the mean value of cooperative leaders (M=1.85, SD=0.362) rated as low and cooperatives members (M=3.22, SD=0.750) rated moderate. Similarly the grand mean value marked by both groups of respondents was (GM=2.535) also rated as moderate. Moreover, the calculated t-value (-29.973) is smaller than the critical t-value (1.96), it indicates both respondents have similar opinions on the mentioned item. In the study area *kebele* administration is expected to provide supports for cooperatives in order to serve their members as per the required level. But the survey result reveals that, above 60% of respondents replied that, the *kebele* administration doesn't assist multipurpose farmers' primary cooperative. This means that out of total respondents above (60%) of the respondents agreed that poor kebele administrators support for

cooperative had the main problem of poor performance in the multipurpose farmer's cooperatives. This finding confirms that, poor *kebele* administration support affects the performance of multipurpose farmers' primary cooperatives in study area and they are not achieving expected target as per objectives

With respect to item 3 of Table 4.2.10, above, 67.5% and 51.2% of cooperative leaders and cooperatives members responded that there is good recognition by woreda administrator and cooperative office On contrary 22.5% and 24.1% of cooperative leaders and cooperatives members' respondent responded that agreed on the problem on weak recognition by woreda administrator and cooperative office. However rest 10.4 % and 14.4% of respondents replied that neither negatively nor positively responded on the issue mentioned above. Furthermore, the mean value of cooperative leaders (M=2.85, SD=0.362) rated as high and cooperatives members (M=4.83, SD=0.792) rated as very high. Similarly the grand mean value marked by both groups of respondents was (GM=3.91) also rated as very high.

Moreover, the calculated t-value (24.325) is greater than the critical t-value (1.96) shows there is difference between the responses of the two groups. This indicated that, the multipurpose farmers primary cooperatives had get assistance and recognition by woreda administrator and cooperative office. These results confirm that, there is good recognition by woreda administrator and cooperative office in study area. But in

Regarding to item 4 of Table 4.2.10, above, 70% and 67.9% of cooperative leaders and cooperatives members' respondent responded that agreed on the problem on lack of availability of well-structured facilities. On contrary 20% and 12% of cooperative leaders and cooperatives members responded that disagree on the problem which is lack of availability of well-structured facilities. However rest10 % and 10.2% of respondents replied that neither negatively nor positively responded on the issue mentioned above. Furthermore, the mean value of cooperative leaders (M=1.85, SD=0.362) rated as low and cooperatives members (M=3.84, SD=0.624) rated as moderate. Similarly the grand mean value marked by both groups of respondents was (GM=2.84) also rated as moderate. Moreover, the calculated t-value (-27.265) is less than the critical t-value (1.96), it indicates both respondents have similar opinions on the mentioned item. This indicated that, the multipurpose farmers primary cooperatives had affected by problem on lack of availability of well-structured facilities. This finding confirms that, the problem of

availability of well-structured facilities had the main problem of the poor performance of multipurpose farmers' primary cooperatives in study area.

Regarding to item 5 of Table 4.2.10,above, 65% and 70.1% of cooperative leaders and cooperatives members' respondent responded that agreed on the problem of lack of information on government regulation and directives. On contrary 17.5% and 19.3% of cooperative leaders and cooperatives members responded that disagree on the problem which is lack of information on government regulation and directives. However rest7.5% and 10.7% of respondents replied that neither negatively nor positively responded on the issue mentioned above.

Furthermore, the mean value of cooperative leaders (M=1.75, SD=0.439) rated as low and cooperatives members (M=3.91, SD=0.542) rated as moderate. Similarly the grand mean value marked by both groups of respondents was (GM=2.83) also rated as moderate. Moreover, the calculated t-value (-27.101) is less than the critical t-value (1.96), it indicates both respondents have similar opinions on the mentioned item. There is still gap in accessing relevant information on government regulations and directives concerning cooperatives. Within this perspective, a result from this study revealed areas that need attention in creating awareness among cooperative members: these are cooperatives regulations and directives. This finding indicated that, lack of information on government regulations and directives based on farmers' primary cooperatives negatively affect their performance in the study area.

In addition to survey result, focus group discussion participants and key informant interviewee respondents, expressed that, even-though the government recognizes the role of farmers' primary cooperatives in the national economy by providing proclamation and specific strategic directions, but in the study area government institutions from grass root to apex levels were not assisting farmers' primary cooperatives in comprehensive or integrated way.

Table 13 Regarding managerial related issues in the cooperatives

No	Items	**Respondents** Leaders=40, Members=187 total= 227	5		3		2		M	SD	T-value	P-value
			F	%	F	%	F	%				
1	Lack of clear understanding on duties and responsibility of members	Leaders	32	80	2	4	10	25	2.05	.316	-34.035	.000*
		Members	145	77.5	11	5.9	31	16.5	4.12	.472		
2	Weak culture and Lack of interest of members to work together through mobilizing common resource in cooperatives	Leaders	32	80	2	5.0	6	15	1.92	.267	-27.438	
		Members	121	64.7	20	10.7	46	24.6	3.75	.706		
		Total(Av)										
3	Lack of awareness and well experience of members and committee in cooperative values	Leaders	32	80	2	5.0	3	7.5	2.02	.530	-26.926	
		Members	151	80.7	8	4.3	28	14.9	4.19	.446		
		Total(Av)										
4	Lack of members managerial skills and style	Leaders	28	70	2	5.0	10	25	2.15	.580	-26.261	
		Members	155	82.9	8	4.3	24	12.8	4.24	.425		
		Total(Av)										
5	Lack of educational level and well trained leaders	Leaders	27	67.5	4	10.0	9	22.5	1.88	.335	-26.390	
		Members	130	69.5	9	4.8	48	25.6	4.05	.866		
		Total(Av)										
6	Lack of skills for working by standard	Leaders	27	67.5	4	10	9	22.5	1.89	.362	-27.167	
		Members	128	68.4	18	9.6	41	21.6	3.99	.740		
		Total(Av)										

Source: Researcher own survey, 2022

Key: F=frequency, SD=standard deviation, GM=grand mean =Scale: very low (1.0-1.49), 1.5-2.4 (low), 2.5-3.49 (moderate), 3.5-4.49 (high) & 4.5-5 (very high) = *p< 0.05,5= Agree, 3=undecided, 1= disagree

It is argued from a theoretical perspective that management experience and continuous training provide a particular entrepreneur with the necessary skills and competences needed for successful entrepreneurship (Enock N., 2010:43).With adequate education mixed with management experience and training puts a manager in a better position to make tough decisions and forecasting under conditions of uncertainty which in turn with those competencies making these particular managers perform better than untrained individuals.

Regarding to item 1 of Table 4.2.11, above, 80 % and 77.5% of cooperative leaders and cooperatives members' respondent responded that agreed on the problem on lack of clear understanding on duties and responsibility of members. On contrary25% and 16.5% of cooperative leaders and cooperatives members responded that disagree on the problem which is lack of clear understanding on duties and responsibility of members. However the rest 4 % and 5.9% of respondents replied that neither negatively nor positively responded on the issue. Furthermore, the mean value of cooperative leaders (M=2.05, SD=0.316) rated as low and cooperatives members (M=3.75, SD=0.973) rated as moderate. Similarly the grand mean value marked by both groups of respondents was (GM=2.9) also rated as moderate.

Moreover, the calculated t-value (-34.035) is smaller than the critical t-value (1.96), it indicates both respondents have similar opinions on the mentioned item. This means that out of total respondents above (77%) of the respondents that agreed that lack of clear understanding on duties and responsibility of members, can affect the overall performance of the multipurpose farmers' cooperative. This shows that the majority of cooperative leaders and cooperatives members had didn't know their actual duties and responsibility in the multipurpose farmers' primary cooperatives. From this, the researcher concluded that the problem of clear understanding on duties and responsibility of members is one of the management factors which affect negatively the performance of farmers' primary cooperatives in the study area.

As it is reveled in the items 2 of the same Tables 4.2.11,,above, 80 % and 64.7% of cooperative leaders and cooperatives members' respondent responded that agreed on the problem on weak

culture and lack of interest of members to work together through mobilizing common resources. On contrary25% and 16.5% of cooperative leaders and cooperatives members responded that disagree on the problem which is lack of weak culture and lack of interest of members to work together through mobilizing common resources. However the rest 5 % and 10.7% of respondents reserved themselves from responding neither negatively nor positively responded on the issue above. Furthermore, the mean value of cooperative leaders (M=1.92, SD=0.267) rated as low and cooperatives members (M=3.45, SD=0.951) rated as moderate. Similarly the grand mean value marked by both groups of respondents was (GM=2.68) also rated as moderate. Moreover, the calculated t-value (-27.438) is smaller than the critical t-value (1.96), it indicates both respondents have similar opinions on the mentioned item.

This means that out of total respondents above (65%) of the respondents that agreed that on the problem on weak culture and lack of interest of members to work together through mobilizing common resources and can affect the overall performance of the multipurpose farmers' cooperative. This shows that the majority of cooperative leaders and cooperatives members' responses were statistically significant on the agreement of raised issue. From this, the researcher concluded that the problem of weak habit of working together through mobilizing common resources and optimization is one of the management factor which affecting negatively the performance of multipurpose farmers' primary cooperatives in the study area.

With respect to item 3 of Table 4.2.11,above, 80 % and 80.7% of cooperative leaders and cooperatives members' respondent responded that agreed on the problem on lack of awareness and well experience of members and committee in cooperatives values. On contrary7.5% and 14.2% of cooperative leaders and cooperatives members responded that disagree on the problem which is lack of weak culture and lack of interest of members to work together through mobilizing common resources. However the rest 5% and 4.3% of respondents reserved themselves from responding neither negatively nor positively responded on the issue above. Furthermore, the mean value of cooperative leaders (M=2.02, SD=0.530) rated as low and cooperatives members (M=3.82, SD=0.908) rated as moderate. Similarly the grand mean value marked by both groups of respondents was (GM=2.91) also rated as moderate.

Moreover, the calculated t-value (-26.926) is smaller than the critical t-value (1.96), it indicates both respondents have similar opinions on the mentioned item. This means that out of total respondents

above (80%) of the respondents that agreed that on the problem on lack of awareness and well experience of committee and members in cooperatives values had the main problem of the multipurpose farmers' cooperative. This shows that the majority of cooperative leaders and cooperatives members' responses were statistically significant on the agreement of raised issue. From this, the researcher concluded that the problem on lack of awareness and well experience of committee and members in cooperatives values is one of the management factors which affect negatively the performance of multipurpose farmers' primary cooperatives in the study area. Besides, in focus group discussion conducted to support this study, participants confirmed that all of the farmers' primary cooperatives in the study area do not have adequate awareness and matured experience among leaders and ordinary members.

As it is reveled in the items 1 of the same Tables 4.2.11,,above, 70 % and 82.9 % of cooperative leaders and cooperatives members' respondent responded that agreed on the problem on lack of members managerial skills and style. On contrary 25% and 12.8 % of cooperative leaders and cooperatives members responded that disagree on the problem which is lack of lack of members managerial skills and style. However the rest 5 % and 4.3% of respondents reserved themselves from responding neither negatively nor positively responded on the issue above. Furthermore, the mean value of cooperative leaders (M=2.15, SD=0.580) rated as low and cooperatives members (M=3.88, SD=0.908) rated as moderate. Similarly the grand mean value marked by both groups of respondents was (GM=3.01) also rated as moderate. Moreover, the calculated t-value (-26.261) is smaller than the critical t-value (1.96), it indicates both respondents have similar opinions on the mentioned item.

This means that out of total respondents above (70%) of the respondents that agreed that on the problem on lack of members' managerial skills and style can affect the overall performance of the multipurpose farmers' cooperative. This shows that the majority of cooperative leaders and cooperatives members' responses were statistically significant on the agreement of raised issue. From this, the researcher concluded that the problem on lack of members managerial skills and style is one of the management factor which affecting negatively the performance of multipurpose farmers' primary cooperatives in the study area.

With respect to item 5 of Table 4.2.11,above, 67.5 % and 69.7% of cooperative leaders and cooperatives members' respondent responded that agreed on the problem of lack of educational

level and well trained leaders. On contrary 22.5% and 25.6% of cooperative leaders and cooperatives members responded that disagree on the problem which is lack of weak culture and lack of interest of members to work together through mobilizing common resources. However the rest 10% and 4.8% of respondents reserved them from responding neither negatively nor positively responded on the issue above. Furthermore, the mean value of cooperative leaders (M=1.88, SD=0.333) rated as low and cooperatives members (M=3.72, SD=0.866) rated as moderate. Similarly the grand mean value marked by both groups of respondents was (GM=2.8) also rated as moderate.

Moreover, the calculated t-value (-26.390) is smaller than the critical t-value (1.96), it indicates both respondents have similar opinions on the mentioned item. This means that out of total respondents above (80%) of the respondents that agreed that on the problem on lack of educational level and well trained leaders had the main problem of the multipurpose farmers' cooperative. This shows that the majority of cooperative leaders and cooperatives members' responses were statistically significant on the agreement of raised issue.

From this, the researcher concluded that the problem on lack of educational level and well trained leaders is one of the management factors which affect negatively the performance of multipurpose farmers' primary cooperatives in the study area. This obviously indicated that, responses were statistically significant on the agreement of selected issue. This finding reveals that, lack of well-trained cooperative leaders was found to be a management factor that affects the performance of farmers' primary cooperatives. Besides, in focus group discussion conducted to support this study, participants confirmed that all of the farmers' primary cooperatives in the study area do not have well educated and professional managers.

With respect to item 5 of Table 4.2.11,above, 67.5 % and 68.4% of cooperative leaders and cooperatives members' respondent responded that agreed on the problem lack of skills for working by standard. On contrary 22.5% and 21.6% of cooperative leaders and cooperatives members responded that disagree on the problem which is problem lack of skills for working by standard. However the rest 10% and 9.6% of respondents reserved themselves from responding neither negatively nor positively responded on the issue above. Furthermore, the mean value of cooperative leaders (M=1.85, SD=0.362) rated as low and cooperatives members (M=3.61, SD=0.740) rated as moderate. Similarly the grand mean value marked by both groups of respondents

was (GM=2.73) also rated as moderate. Moreover, the calculated t-value (-27.167) is smaller than the critical t-value (1.96), it indicates both respondents have similar opinions on the mentioned item. This means that out of total respondents above (67%) of the respondents that agreed that on the problem on problem lack of skills for working by standard had the main problem of the multipurpose farmers' cooperative. This shows that the majority of cooperative leaders and cooperatives members' responses were statistically significant on the agreement of raised issue.

From this, the researcher concluded that the problem on lack of skills for working by standard is one of the management factors which affect negatively the performance of multipurpose farmers' cooperatives in the study area. This obviously indicated that, responses were statistically significant on the agreement of selected issue. This finding reveals that, lack of well skills for working by standard was found to be a management factor that affects the performance of farmers' cooperatives. Besides, in focus group discussion conducted to support this study, participants confirmed that all of the farmers' primary cooperatives in the study area do not have well skills for working by cooperatives standard.

Finally, this finding indicates that, management factors greatly affect the performance of all categories of farmers' primary cooperatives included in the study in Mareko worda. This is also consistence with previous results. For instance according to Weretew (2010:226-37), farmers' cooperatives in Ethiopia are, however, confronted with several factors that affect their performance. The major factors include financial problems, lack of qualified employees, lack of proper financial records and marketing problems.

Table 14 Regarding legal and policy regulation in the cooperatives

Item	Respondents Leaders=40, Members=187 total= 227	5		3		2		M	SD	T-Value	P-value
		F	%	F	%	F	%				
Lack of regularities of rules and regulation	Leaders	24	60	4	10.	16	40	1.90	.304	-27.264	.000*
	Members	127	68	15	8.0	45	24.1	3.97	.806		
	Total(Av)										
Bureaucracy in cooperative registration and licensing	Leaders	24	60	3	7.5	13	32.5	1.95	.221	-23.180	
	Members	110	68.8	18	9.6	59	31.6	3.68	.905		
	Total(Av)										
Lack of government support concerning cooperative directives and regulation	Leaders	24	60	7	17.5	9	22.5	1.90	.304	-24.483	
	Members	125	66.8	12	6.4	50	36.7	3.80	.835		
	Total(Av)										
Political intervention	Leaders	23	57.5	5	12.5	12	30	1.92	.267	-29.162	
	Members	187	61.8	34	18.2	37	19.6	3.90	.727		
	Total(Av)										

Source: Researcher own survey, 2022

Key: F=frequency, SD=standard deviation, GM=grand mean =Scale: very low (1.0-1.49), 1.5-2.4 (low), 2.5-3.49 (moderate), 3.5-4.49 (high) & 4.5-5 (very high) = *p< 0.05, 5= Agree, 3=undecided, 1= disagree

With respect to item 1 of Table 4.2.12, above, 60 % and 68 % of cooperative leaders and cooperatives members' respondent responded that agreed on the problem of lack of regularities of rules and regulation in the multipurpose cooperatives. On contrary 40 % and 24.1% of cooperative leaders and cooperatives members responded that disagree on the problem which is lack regularities of rules and regulation in the multipurpose cooperatives. However the rest 10% and 8 % of respondents reserved themselves from responding neither negatively nor positively responded on the issue above. Furthermore, the mean value of cooperative leaders (M=1.90, SD=0.304) rated as low and cooperatives members (M=3.97, SD=0.806) rated as moderate.

Similarly the grand mean value marked by both groups of respondents was (GM=2.93) also rated as moderate.

Moreover, the calculated t-value (-27.264) is smaller than the critical t-value (1.96), it indicates both respondents have similar opinions on the mentioned item. This means that out of total respondents above (60%) of the respondents that agreed that on the problem on lack of regularities of rules and regulation had the main problem of the multipurpose farmers' cooperative. This shows that the majority of cooperative leaders and cooperatives members' responses were statistically significant on the agreement of raised issue. From this, the researcher concluded that the problem on lack of regularities of rules and regulation is one of legal and policy regulation factor which affect negatively the performance of multipurpose farmers' primary cooperatives in the study area. Besides the survey result, in focus group discussion conducted to support this study, participants confirmed that all of the farmers' primary cooperatives in the study area do not have try to promote up-to-dated and consistent government regulations, rules and directives in the study area.

With regard to item 2 of Table 4.2.12, above, the respondents were requested to point out their views to cooperative leaders and members concerning on the problem on bureaucracy in cooperative registration and licensing .Accordingly, 60 % and 68.8 % of cooperative leaders and cooperatives members' respondent responded that agreed on the problem on bureaucracy in cooperative registration and licensing in the multipurpose cooperatives. On contrary 32 % and 31.6% of cooperative leaders and cooperatives members responded that disagree on the problem which is bureaucracy in cooperative registration and licensing in the multipurpose farmers cooperatives.

However the rest 17.5% and 6.4 % of respondents reserved themselves from responding neither negatively nor positively responded on the issue above. Furthermore, the mean value of cooperative leaders (M=1.98, SD=0.221) rated as low and cooperatives members (M=3.67, SD=0.905) rated as moderate. Similarly the grand mean value marked by both groups of respondents was (GM=2.84) also rated as moderate. Moreover, the calculated t-value (-23.180) is smaller than the critical t-value (1.96), it indicates both respondents have similar opinions on the mentioned item. This means that out of total respondents above (60%) of the respondents that agreed that on the problem on bureaucracy in cooperative registration and licensing had the main problem of the

multipurpose farmers' cooperative. This shows that the majority of cooperative leaders and cooperatives members' responses were statistically significant on the agreement of raised issue.

From this, the researcher concluded that the problem on bureaucracy in cooperative registration and licensing is one of the legal and policy regulation factors which affect negatively the performance of multipurpose farmers' primary cooperatives in the study area. Besides the survey result, in focus group discussion conducted to support this study, participants confirmed that all of the farmers' primary cooperatives in the study area do not have try to promote the grass root level multipurpose farmers' cooperative government and government officials have didn't give performance related license regularly in the study area.

With regard to item 3 of Table 4.2.12, above, the respondents were requested to point out their views to cooperative leaders and members concerning on the problem on lack of government support concerning cooperative directives and regulation .Accordingly, 60 % and 68.8 % of cooperative leaders and cooperatives members' respondent responded that agreed on the problem on bureaucracy in cooperative registration and licensing in the multipurpose cooperatives. On contrary 22.5 % and 36.7% of cooperative leaders and cooperatives members responded that disagree on the problem which is lack of government support concerning cooperative directives and regulation in the multipurpose farmers cooperatives. However the rest 17.5% and 6.4 % of respondents reserved themselves from responding neither negatively nor positively responded on the issue above. Furthermore, the mean value of cooperative leaders (M=1.90, SD=0.304) rated as low and cooperatives members (M=3.80, SD=0.835) rated as moderate. Similarly the grand mean value marked by both groups of respondents was (GM=2.85) also rated as moderate.

Moreover, the calculated t-value (-23.180) is smaller than the critical t-value (1.96), it indicates both respondents have similar opinions on the mentioned item. This means that out of total respondents above (60%) of the respondents that agreed that on the problem on Lack of government support concerning cooperative directives and regulation had the main problem of the multipurpose farmers' cooperative. This shows that the majority of cooperative leaders and cooperatives members' responses were statistically significant on the agreement of raised issue. From this, the researcher concluded that the problem on lack of government support concerning cooperative directives and regulation is one of the legal and policy regulation factors which affect negatively the performance of multipurpose farmers' primary cooperatives in the study area.

Besides the survey result, in focus group discussion and government officials interview result support this study, participants confirmed that all of the farmers' primary cooperatives including cooperatives leaders they cannot now very well government directives and regulation in the study area which degrade the value and norms of multipurpose farmers primary cooperatives in the study area.

Additionally, one key informant during discussion explains that:

"*In our multipurpose farmers cooperatives there is still gap in accessing relevant, consistent information and government support concerning cooperatives regulations and directives due to this reasons the members exposed to pass and violate the bylaws of multipurpose farmers cooperatives"(**interview,2022).***

With respect to item 4 of Table 4.2.12, above, the respondents were requested to point out their views to cooperative leaders and members concerning on the problem on political intervention .Accordingly, 57.5 % and 61.8 % of cooperative leaders and cooperatives members' respondent responded that agreed on the problem on political intervention. On contrary 30 % and 19.6% of cooperative leaders and cooperatives members responded that disagree on the problem which is political intervention in the multipurpose farmers cooperatives. However the rest 12.5% and 18.2% of respondents reserved themselves from responding neither negatively nor positively responded on the issue above. Furthermore, the mean value of cooperative leaders (M=1.92, SD=0.267) rated as low and cooperatives members (M=3.90, SD=0.727) rated as moderate. Similarly the grand mean value marked by both groups of respondents was (GM=2.91) also rated as moderate.

Moreover, the calculated t-value (-29.162) is smaller than the critical t-value (1.96), it indicates both respondents have similar opinions on the mentioned item. This means that out of total respondents above (57%) of the respondents that agreed that on the problem on political intervention had the main problem of the multipurpose farmers' cooperative. This shows that the majority of cooperative leaders and cooperatives members' responses were statistically significant on the agreement of raised issue. From this, the researcher concluded that the problem political intervention is one of the legal and policy regulation factors which affect negatively the performance of multipurpose farmers' primary cooperatives in the study area.

Besides the survey result, in focus group discussion and government officials interview result support this study, participants confirmed that all of the farmers' primary cooperatives including cooperatives leaders they assured that at grass root level there is high pressure on primary multipurpose farmers' cooperative because government officials and experts the interfere the overall activity of cooperative especially kebele administrators in the study area which is degrade the ownership and responsibility as well as transparence of members in multipurpose farmers primary cooperatives in the study area.

Generally, when the above responses compared with the interview conducted with members of multipurpose farmers' cooperative, it was confirmed that there are problems related to government bodies at the *woreda* levels. The interviewees are pointed out the implementation problems widely observed in the side of the cooperative heads and lower level experts and employees of woreda cooperative offices such as lack of responsiveness to the demands of the members. In addition to this most of the officials have shown the deliberate tendency of the executives to be bureaucratic and their lack of awareness and irregularity about the procedures, policies, proclamation, and directives in order to promote and train the members of multipurpose farmers' cooperative. The other possible explaining factor for this lack of responsiveness starting from national government to grass root level which means that the national governments cannot provide appropriate and regular support about overall development of multipurpose farmers' cooperative.

Table 15 Regarding the infrastructural related issues in the cooperatives

Items	**Respondents** Leaders=40, Members=187 total= 227	5		3		2		M	SD	T-Value	p-value
		F	%	F	%	F	%				
Lack of Storage facilities	Leaders	32	80	4	10.0	4	10	1.68	.616	-30.015	000*
	Members	155	82.9	-	-	32	17.1	4.37	.484	-	
	Total										
Lack of sufficient access of electricity service	Leaders	31	77.5	3	7.5	6	15	1.92	.572	-24.063	
	Members	144	77	14	7.5	29	15.5	4.19	.534		
	Total(Av)										
Lack of appropriate cooperative office	Leaders	30	75	2	5.0	8	20	1.82	.385	-22.863	
	Members	138	73.8	11	5.9	38	20.3	3.99	.573		
	Total(Av)										
Lack of access to mass media (TV, radio etc)	Leaders	35	87.5	2	5.0	3	7.5.	2.75	.927	-15.603	
	Members	162	86.6	11	5.9	14	7.5	1.68	.616		
	Total(Av)										

Source: Researcher own survey, 2022

Key: F=frequency, SD=standard deviation, GM=grand mean =Scale: very low (1.0-1.49), 1.5-2.4 (low), 2.5-3.49 (moderate), 3.5-4.49 (high) & 4.5-5 (very high) = *p< 0.05, 5= Agree, 3=undecided, 1= disagree

With regard to item 1 of Table 4.2.13, above, the respondents were requested to point out their views to cooperative leaders and members concerning on the problem on lack of storage facilities .Accordingly, 80% and 82.9 % of cooperative leaders and cooperatives members' respondent responded that agreed on the problem on lack of storage facilities in the multipurpose cooperatives. On contrary10% and 19% of cooperative leaders and cooperatives members responded that disagree on the problem which is lack of storage facilities in the multipurpose farmers cooperatives. However the rest 10% of respondents reserved themselves from responding neither negatively nor positively responded on the issue above. Furthermore, the mean value of cooperative leaders (M=1.68, SD=0.616) rated as low and cooperatives members (M=4.37,

SD=0.484) rated as moderate. Similarly the grand mean value marked by both groups of respondents was (GM=3.025) also rated as moderate.

Moreover, the calculated t-value (-30.015) is smaller than the critical t-value (1.96), it indicates both respondents have similar opinions on the mentioned item. This means that out of total respondents above (80%) of the respondents that agreed that on the problem on lack of storage facilities had the main problem of the multipurpose farmers' cooperative. This shows that the majority of cooperative leaders and cooperatives members' responses were statistically significant on the agreement of raised issue. From this, the researcher concluded that the problem on lack of storage facilities is one of the infrastructural factors which affect negatively the performance of multipurpose farmers' primary cooperatives in the study area. Mostly farmers are suffering from storage problem which was the reflection of weak infrastructure access in rural area.

In addition to this, focus group discussion participants and key informant interviewee reported that most of the farmers 'cooperatives had cannot get adequate and appropriate storage services due to absence of rural infrastructural access. Therefore, the storage problem hinders the provision of agricultural inputs, consumer goods, and marketing produce by cooperative member. This finding revealed that poor storage service is one of the serious infrastructural indicators negatively affecting the performance of multipurpose farmers' primary cooperative in study area.

With respect to item 2 of Table 4.2.13 above, 77.5 % and 77% of cooperative leaders and cooperatives members' respondent responded that agreed on the problem of lack of insufficient access of electricity service in the multipurpose cooperatives. On contrary 15 % and 15.5% of cooperative leaders and cooperatives members responded that disagree on the problem which is lack of insufficient access of electricity service in the multipurpose cooperatives. However the rest 5% and 5.9 % of respondents reserved themselves from responding neither negatively nor positively responded on the issue above. Furthermore, the mean value of cooperative leaders (M=1.92, SD=0.572) rated as low and cooperatives members (M=4.19, SD=0.534) rated as moderate. Similarly the grand mean value marked by both groups of respondents was (GM=3.05) also rated as moderate. Moreover, the calculated t-value (-24.063) is smaller than the critical t-value (1.96), it indicates both respondents have similar opinions on the mentioned item. This means that out of total respondents above (60%) of the respondents that agreed that on the problem on lack of insufficient access of electricity service had the main problem of the multipurpose farmers' cooperative.

This shows that the majority of cooperative leaders and cooperatives members' responses were statistically significant on the agreement of raised issue. From this, the researcher concluded that the problem on factor which affect negatively the performance of multipurpose farmers' primary insufficient access of electricity service cooperatives in the study area. Because of lack of electric power, cooperative members had no access of agro processing to add value on their agricultural outputs. This finding reveals that, majority of rural villages have no access of electric power, therefore, it's one of the infrastructure obstacles negatively affecting the performance of farmers' primary cooperatives in the study area.

With respect to item 4 of Table 4.2.12, above, 75 % and 75.8 % of cooperative leaders and cooperatives members' respondent responded that agreed on the problem of lack of appropriate cooperative office in the multipurpose cooperatives. On contrary 20 % and 20.3% of cooperative leaders and cooperatives members responded that disagree on the problem which is lack of appropriate cooperative office is the multipurpose cooperatives. However the rest 5% and 5.9 % of respondents reserved themselves from responding neither negatively nor positively responded on the issue above. Furthermore, the mean value of cooperative leaders (M=1.92, SD=0.572) rated as low and cooperatives members (M=4.19, SD=0.534) rated as moderate. Similarly the grand mean value marked by both groups of respondents was (GM=3.05) also rated as moderate.

Moreover, the calculated t-value (-24.863) is smaller than the critical t-value (1.96), it indicates both respondents have similar opinions on the mentioned item. This means that out of total respondents above (75%) of the respondents that agreed that on the problem on lack of appropriate cooperative office had the main problem of the multipurpose farmers' cooperative. This shows that the majority of cooperative leaders and cooperatives members' responses were statistically significant on the agreement of raised issue. From this, the researcher concluded that the problem on lack of appropriate cooperative office factor which affect negatively the performance of multipurpose farmers' in the study area. Because lack of appropriate cooperative office had cannot create accessible and good working environment for multipurpose cooperatives members and leaders. This finding reveals that, majority of rural villages have no access of cooperative office, therefore, it's one of the infrastructure obstacles negatively affecting the performance of farmers' cooperatives in the study area.

Additionally, key informant during discussion explains that:

In our multipurpose farmers cooperatives there is still gap in accessing relevant and appropriate working office due to this reasons the documents, files and some cooperative related materials has regularly obsolete and damaged and also sometimes cooperative committee and material had lived together which is because of lack of appropriate cooperative office ***(interview,2022).***

With respect to item 5 of Table 4.2.13, above, 87.5% and 86.6 % of cooperative leaders and cooperatives members' respondent responded that agreed on the problem of lack of access to mass media (TV, radio etc) in the multipurpose cooperatives. On contrary 7.5 % and 7.5% of cooperative leaders and cooperatives members responded that disagree on the problem which is lack of access to mass media (TV, radio etc) is the multipurpose cooperatives. However the rest 5% and 5.9 % of respondents reserved themselves from responding neither negatively nor positively responded on the issue above. Furthermore, the mean value of cooperative leaders (M=2.75, SD=0.927) rated as low and cooperatives members (M=1.68, SD=0.616) rated as low. Similarly the grand mean value marked by both groups of respondents was (GM=2.21) also rated as low.

Moreover, the calculated t-value (-15.603) is smaller than the critical t-value (1.96), it indicates both respondents have similar opinions on the mentioned item. This means that out of total respondents above (86%) of the respondents that agreed that on the problem on lack of access to mass media (TV, radio etc) had the main problem of the multipurpose farmers' cooperative.

This shows that the majority of cooperative leaders and cooperatives members' responses were statistically significant on the agreement of raised issue. From this, the researcher concluded that the problem on lack of lack of access to mass media is infrastructural factor which affect negatively the performance of multipurpose farmers' primary in the study area. This result shows that, lack of access to mass media (television) is one of the external factors affecting the performance of multipurpose farmers' primary cooperatives. In addition to this, key informant interviewee and focus group discussion participants reported that, lack of access to electric power and mass media (especially television) negatively influence farmers' primary cooperatives because majority of their members didn't have opportunity to acquire current information about the values of cooperatives and agricultural products prices.

Table 16 Regarding marketing related issues in the cooperatives

No	Items	**Respondents** Leaders=40, Members=187 total= 227	5		3		2		M	SD	T-value	p-value
			F	%	F	%	F	%				
1	Inadequate market access for member product	Leaders	29	72.5	2	5.0	11	27.5	1.98	.158	-34.841	000*
		Members	149	79.7	24	12.8	14	7.5	3.93	.688		
		Total(Av)										
2	Lack of appropriate market demand forecasting	Leaders	35	87.5	2	5.0	3	7.5	2.42	.594	-22.073	
		Members	153	81.8	16	8.6	18	9.7	3.25	.444		
		Total(Av)										
3	Lack of market information and poor linkage to market organization	Leaders	32	80	4	10.	4	10	2.30	.564	-25.824	
		Members	153	81.8	12	6.4	14	11.8	3.17	.378		
		Total(Av)										
4	Lack of communication to attract potential members	Leaders	32	80	2	5.0	6	15	2.32	.656	-21.692	
		Members	154	82.4	14	7.5	19	10.2	3.21	.461		
		Total(Av)										

Source: Researcher own survey, 2022

Key: F=frequency, SD=standard deviation, GM=grand mean =Scale: very low (1.0-1.49), 1.5-2.4 (low), 2.5-3.49 (moderate), 3.5-4.49 (high) & 4.5-5 (very high) = **p< 0.05, 5=Agree, 3=undecided, 1= disagree

In relation to item 1 of Table 4.2.14, above 72.5 % and 79.7 % of cooperative leaders and cooperatives members' respondent responded that agreed on the problem of inadequate market access for member product in the multipurpose cooperatives. On contrary 27.5 % and 7.5% of cooperative leaders and cooperatives members responded that disagree on the problem which is

inadequate market access for member product in the multipurpose farmer's primary cooperatives. However the rest 5% and 12.8% of respondents reserved themselves from responding neither negatively nor positively responded on the issue above. Furthermore, the mean value of cooperative leaders (M=1.98, SD=0.158) rated as low and cooperatives members (M=3.93, SD=0.688) rated as moderate. Similarly the grand mean value marked by both groups of respondents was (GM=2.95) also rated as moderate.

Moreover, the calculated t-value (-34.841) is smaller than the critical t-value (1.96), it indicates both respondents have similar opinions on the mentioned item. This means that out of total respondents above (72%) of the respondents that agreed that on the problem on inadequate market access for member product had the main problem of the multipurpose farmers' cooperative. This shows that the majority of cooperative leaders and cooperatives members' responses were statistically significant on the agreement of raised issue. From this, the researcher concluded that the problem on inadequate market access for member product had one of infrastructural factor which is affect negatively the performance of multipurpose farmers' primary cooperatives in the study area.

Easily access to market is crucial in order to generate better income from farmers' agricultural outputs and inputs by reducing costs related to storage and transportation service. But in the study area, as the survey result confirms that, there was no well-organized closer market places for farmers' arranged by their respective cooperatives especially for the product of vegetables and mareko-fana (pepper). Additionally, during key informant interview and focus group discussion, the majority of participants reported that due to poor market opportunity of members of multipurpose farmers cooperatives were forced to sell their agricultural outputs for private traders with unsatisfactory price and also some members transport their products sell to small towns' by pass long distance on horseback with incurred additional expense.

Additionally, key one informant member during discussion explains that:

'The government did not create good market access and can give due attention for multipurpose farmers cooperatives members, in most of the time in our area agricultural products were vegetables and cereal crops which is very sensitive and perishable especially tomato and onion due to this reasons farmers have exposed to sell their product in cheap price that's way in the study area producers and consumers exchange agricultural products in a very small local markets with less price because of this reason members were decrease their

production performance and also members negatively affected by low income'' ***(interview ,2022).***

In respect to item 2 of Table 4.2.14, above 87.5 % and 79.7 % of cooperative leaders and cooperatives members' respondent responded that agreed on the problem of lack of appropriate market demand forecasting in the multipurpose cooperatives. On contrary17.5 % and 7.5% of cooperative leaders and cooperatives members responded that disagree on the problem which is lack of appropriate market demand forecasting in the multipurpose farmer's primary cooperatives. However the rest 10% and 12.8% of respondents reserved themselves from responding neither negatively nor positively responded on the issue above. Furthermore, the mean value of cooperative leaders (M=2.42, SD=0.594) rated as low and cooperatives members (M=3.25, SD=0.444) rated as moderate. Similarly the grand mean value marked by both groups of respondents was (GM=2.83) also rated as moderate.

Moreover, the calculated t-value (-22.073) is smaller than the critical t-value (1.96), it indicates both respondents have similar opinions on the mentioned item. This means that out of total respondents above (72%) of the respondents that agreed that on the problem on lack of appropriate market demand forecasting had the main problem of the multipurpose farmers' cooperative. This shows that the majority of cooperative leaders and cooperatives members' responses were statistically significant on the agreement of raised issue. From this, the researcher concluded that the problem on lack of appropriate market demand forecasting had one of infrastructural factor are potential constraints and way of market conditions without forecasting market demands affecting the performance of farmers' primary cooperatives in the study area.

With regard to item 3 of Table 4.2.14, above 80 % and 81.8 % of cooperative leaders and cooperatives members' respondent responded that agreed on the problem of lack of market information and poor linkage to market organization in the multipurpose cooperatives. On contrary10 % and 11.8 % of cooperative leaders and cooperatives members responded that disagree on the problem which is lack of market information and poor linkage to market organization in the multipurpose farmer's primary cooperatives. However the rest 10% and 6.4% of respondents reserved themselves from responding neither negatively nor positively responded on the issue above. Furthermore, the mean value of cooperative leaders (M=2.30, SD=0.564) rated as low and cooperatives members (M=3.17, SD=0.378) rated as moderate. Similarly the grand mean value

marked by both groups of respondents was (GM=2.83) also rated as moderate. Moreover, the calculated t-value (-25.824) is smaller than the critical t-value (1.96), it indicates both respondents have similar opinions on the mentioned item.

This means that out of total respondents above (80%) of the respondents that agreed that the problem on lack of market information and poor linkage to market organization had the main problem of the multipurpose farmers' cooperative. This shows that the majority of cooperative leaders and cooperatives members' responses were statistically significant on the agreement of raised issue .This is also consistence with previous results. For instance according to Weretew (2010:226-37), farmers' primary cooperatives in Ethiopia are, however, confronted with several factors that affect their performance. The major factors include financial problems, lack of qualified employees, lack of proper financial records and marketing problems. Similarly, Richard (2015:19-40) in his study identified that improvement of the ability of farmers' primary cooperatives to participate in the market is the serious challenge in most developing countries. From this, the researcher concluded that the problem on poor market information and linkage in relation to their agricultural products are potential constraints affecting the performance of multipurpose farmers' primary cooperatives in the study area.

With regard to item 3 of Table 4.2.14, above 80 % and 82.4 % of cooperative leaders and cooperatives members' respondent responded that agreed on the problem of lack of communication to attract potential members in the multipurpose cooperatives. On contrary 5 % and 7.5 % of cooperative leaders and cooperatives members responded that disagree on the problem lack of communication to attract potential members with in the multipurpose farmer's primary cooperatives. However the rest 10% and 6.4% of respondents reserved themselves from responding neither negatively nor positively responded on the issue above. Furthermore, the mean value of cooperative leaders (M=2.32, SD=0.656) rated as low and cooperatives members (M=3.21, SD=0.461) rated as moderate. Similarly the grand mean value marked by both groups of respondents was (GM=2.76) also rated as moderate. Moreover, the calculated t-value (-21.691) is smaller than the critical t-value (1.96), it indicates both respondents have same opinions on the mentioned item. This means that out of total respondents above (80%) of the respondents that agreed that problem on lack of communication to attract potential members had the main problem

of the multipurpose farmer's cooperative. This shows that the majority of cooperative leaders and cooperatives members' responses were statistically significant on the agreement of raised issue.

From this, the researcher concluded that the problems on poor communication ability in relation to attracting potential members were the main constraints which affecting the performance of multipurpose farmers' primary cooperatives in the study area. In addition to the survey result, during key informant interview and focus group discussion, the majority of participants reported that most of the time cooperative office and our association leaders had did not made sound communication within members and other cooperative organization frequently which is happened due to poor communication ability within members and leaders in relation to attracting potential member such like thing causes poor performance in multipurpose farmers cooperatives.

Table 17 Regarding financial issues in the multipurpose cooperatives

Items	**Respondents** Leaders=40 Members=187 total= 227	5		3		1		M	SD	T-Value	P-Value
		F	%	F	%	F	%				
Weak capacity of loan repayment and saving performance	Leaders	32	80	4	10.0	7	17.5	1.92	.656	-26.786	000*
	Members	153	81.8	7	3.7	27	14.6	3.31	.475		
	Total(Av)										
Lack of cash management skills	Leaders	29	72.5	23	7.5	8	20	1.75	.439	-29.113	
	Members	141	75.4	12	6.4	34	18.1	3.09	.552		
	Total(Av)										
Shortage of working capital	Leaders	32	80	4	10.0	4	10	2.02	.832	-21.485	
	Members	146	78.1	19	10.2	22	11.8	3.23	.524		
	Total(Av)										
High collateral requirement and loan application procedures of lending institutions are too complicated	Leaders	36	90	1	2.5	3	7.5	3.12	1.017	-11.693	
	Members	171	91.5	7	3.7	9	4.8	3.37	.484		
	Total(Av)										
High interest rate charged by lending institutions	Leaders	34	85	4	10.0	2	5	2.62	.540	-20.382	
	Members	154	82.3	21	11.2	12	6.4	3.40	.491		
	Total(Av)										

Source: Researcher own survey, 2022

Key: F=frequency, SD=standard deviation, GM=grand mean =Scale: very low (1.0-1.49), 1.5-2.4 (low), 2.5-3.49 (moderate), 3.5-4.49 (high) & 4.5-5 (very high) = *p< 0.05, 5=Agree, 3=undecided, 1= disagree

As indicated in items 1 of Table 4.2.15 above, 80 % and 81.8 % of cooperative leaders and cooperatives members agreed on the problem of in weak capacity of loan repayment and saving performance in the multipurpose farmer's cooperatives. On contrary 17.5% and14.6 % of cooperative leaders and cooperatives members responded that disagree on the problem of weak capacity of loan repayment and saving performance with in the multipurpose farmer's primary cooperatives. However the rest 10% and 3.7% of respondents reserved themselves from responding neither negatively nor positively responded on the issue above. Furthermore, the mean value of cooperative leaders (M=1.92, SD=0.656) rated as low and cooperatives members

(M=3.31, SD=0.475) rated as moderate. Similarly the grand mean value marked by both groups of respondents was (GM=2.62) also rated as moderate.

Moreover, the calculated t-value (-26.786) is smaller than the critical t-value (1.96), it indicates both respondents have same opinions on the mentioned item. This means that out of total respondents above (80%) of the respondents that agreed that problem on weak capacity of loan repayment and saving performance had the main problem of the multipurpose farmer's cooperative. This shows that the majority of cooperative leaders and cooperatives members' responses were statistically significant on the agreement of raised issue. In addition to the survey result, during key informant interview and focus group discussion the majority of participants reported that most of the time multipurpose farmers' cooperative members were they given attention for taking loan only but not for loan repayment and saving they are passive participant, didn't pay the loan on time and also their saving capacity should be inadequate and insufficient within members and cooperatives which causes low income and poor performance in the multipurpose farmers cooperatives.

Similarly, the documents review during analysis confirms that, the selected sample multipurpose farmers' cooperative were achieved below 50% in relation to loan repayment and saving for the last two consecutive years in the study area. In conformity with this finding Tilahun (2013:91) in his study Factors Affecting the Performance Primary Saving and Credit Cooperative Societies in Hula *Wored* of *Sidama* Zone also noted that cooperatives have been encountering problems with respect to saving, loan provision and loan repayment aspects which in turn have been affecting the performance of societies. From this, the researcher concluded that the problems on weak capacity of loan repayment and saving performance were directly affecting the performance of multipurpose farmers' primary cooperatives in the study area

As indicated in items 2 of Table 4.2.15 above, 72.5 % and 75.4 % of cooperative leaders and cooperatives members' respondent responded that agreed on the problem of lack of cash management skills in the multipurpose farmers cooperatives. On contrary 20% and 18.1% of cooperative leaders and cooperatives members responded that disagree on the problem were lack of cash management skills with in the multipurpose farmer's primary cooperatives. However the rest 7.5% and 6.4% of respondents reserved themselves from responding neither negatively nor

positively responded on the issue above. Furthermore, the mean value of cooperative leaders (M=1.75, SD=0.439) rated as low and cooperatives members (M=3.09, SD=0.475) rated as moderate. Similarly the grand mean value marked by both groups of respondents was (GM=2.42) also rated as low.

Moreover, the calculated t-value (-29.113) is smaller than the critical t-value (1.96), it indicates both respondents have same opinions on the mentioned item. This means that out of total respondents above (72%) of the respondents that agreed that problem on lack of cash management skills had the main problem of the multipurpose farmer's cooperative. This shows that the majority of cooperative leaders and cooperatives members' responses were statistically significant on the agreement of raised issue. In addition to the survey result, during key informant interview and focus group discussion the majority of participants reported that most of the time in our area multipurpose cooperative had exposed to corruption and miss use within the cooperatives, the leaders also, there is no regular auditing system and transparent as well as accountable financial flow. Similarly, in the focus group discussion conducted with cooperative leaders to support this study, they specified that the some members' shows mistrust related to financial flow in their own multipurpose farmers' cooperative in the study area. In conformity with this finding T.A. Masuku, etal.(2016:68),this study supports the above findings which was the performance of multipurpose cooperatives in the Shiselweni region of Swaziland implied that multipurpose cooperatives in the study area were not properly managed. This is made evidently by financial records, which were not up to date. These cooperatives were making losses and sometimes delayed submitting their financial statements for audit purposes, thus resulting into accounts not being audited. This meant that multipurpose cooperatives in the Shiselweni region had a poor financial performance and committee members who were responsible at that particular period failed to account for the losses.

From this, the researcher concluded that the problems on lack of cash management skills or poor financial system greatly affect the performance of multipurpose farmers' primary cooperatives in the study area.

With respect to items 3 of Table 4.2.15, above, 80% and 78.1% of cooperative leaders and cooperatives members' respondent responded that agreed on the problem of shortage of working capital in the multipurpose farmers' cooperatives. On contrary 10% and 11.8% of cooperative leaders and cooperatives members responded that disagree on the problem were shortage of

working capital with in the multipurpose farmer's primary cooperatives. However the rest 10% and 10.2% of respondents reserved themselves from responding neither negatively nor positively responded on the issue above. Furthermore, the mean value of cooperative leaders (M=2.02, SD=0.832) rated as low and cooperatives members (M=3.23, SD=0.524) rated as moderate. Similarly the grand mean value marked by both groups of respondents was (GM=2.62) also rated as low. Moreover, the calculated t-value (-21.485) is smaller than the critical t-value (1.96), it indicates both respondents have same opinions on the mentioned item. This means that out of total respondents above (78%) of the respondents that agreed that problem on shortage of working capital had the main problem of the multipurpose farmer's cooperative.

This shows that the majority of cooperative leaders and cooperatives members' responses were statistically significant on the agreement of raised issue. From this, the researcher concluded that the problems on shortage of working capital greatly affect the performance of multipurpose farmers' primary cooperatives in the study area. In addition to the survey result, during key informant interview and focus group discussion the majority of participants reported that most of the financial institutions services in enhancing farmers' primary cooperatives in the study area is still very weak. similarly the cooperative leaders to support this study, they specified that the members' economic and financial power to strengthen their cooperative society is very weak due to this reasons the multipurpose farmers cooperatives are suffering in shortage of working capital which is directly affecting the performance of multipurpose farmer cooperatives in the study area .

With regard to in items 4 of Table 4.2.15, above, 90 % and 91.5% of cooperative leaders and cooperatives members' respondent responded that agreed on the problem of high collateral requirement and loan application procedures of lending institutions are too complicated in the multipurpose farmers cooperatives. On contrary 7.5% and 4.8% of cooperative leaders and cooperatives members responded that disagree on the problem were high collateral requirement and loan application procedures of lending institutions are too complicated with in the multipurpose farmer's primary cooperatives. However the rest 2.5% and 3.7% of respondents reserved themselves from responding neither negatively nor positively responded on the issue above. Furthermore, the mean value of cooperative leaders (M=2.12, SD=1.017) rated as low and cooperatives members (M=3.37, SD=0.484) rated as moderate. Similarly the grand mean value marked by both groups of respondents was (GM=2.74) also rated as low. Moreover, the calculated

t-value (-11.093) is smaller than the critical t-value (1.96), it indicates both respondents have same opinions on the mentioned item. This means that out of total respondents above (90%) of the respondents that agreed that problem on high collateral requirement and loan application procedures of lending institutions are too complicated had the main problem of the multipurpose farmer's cooperative. This shows that the majority of cooperative leaders and cooperatives members' responses were statistically significant on the agreement of raised issue. From this, the researcher concluded that the problems on high collateral requirement and loan application procedures of lending institutions are too complicated were greatly affect the performance of multipurpose farmers' primary cooperatives in the study area.

In addition to the survey result, during key informant interview and focus group discussion the majority of participants reported say that:-

"*Most of the time in our area multipurpose cooperative had exposed to corruption and miss use within the cooperatives, the leaders also, there is no regular auditing system and transparent as well as accountable financial flow"* ***(interview,2022)***

The focus group discussion conducted with cooperative leaders to support this study, they articulate that the some members' characterize mistrust related to financial flow in their own multipurpose farmer's cooperative in the study area.

As indicated in items 5 of Table 4.2.15, above, 85% and 82.3 % of cooperative leaders and cooperatives members' respondent responded that agreed on the problem of in high interest rate charged by lending institutions in the multipurpose farmers cooperatives. On contrary 5% and 6 .4 % of cooperative leaders and cooperatives members responded that disagree on the problem of high interest rate charged by lending institutions with in the multipurpose farmer's primary cooperatives. However the rest 10% and 11.2% of respondents reserved themselves from responding neither negatively nor positively responded on the issue above. Furthermore, the mean value of cooperative leaders (M=2.62, SD=0.540) rated as low and cooperatives members (M=3.40, SD=0.491) rated as moderate. Similarly the grand mean value marked by both groups of respondents was (GM=3.01) also rated as moderate. Moreover, the calculated t-value (-20.382) is smaller than the critical t-value (1.96), it indicates both respondents have same opinions on the mentioned item. This means that out of total respondents above (82%) of the respondents that agreed that problem on high interest rate charged by lending institutions the main problem of the

multipurpose farmer's cooperative. This shows that the majority of cooperative leaders and cooperatives members' responses were statistically significant on the agreement of raised issue.

From this, the researcher concluded that the problems on high interest rate charged by lending institutions were directly affecting the performance of multipurpose farmers' primary cooperatives in the study area. In addition to the survey result, during key informant interview and focus group discussion the majority of participants reported that most of lending institution participating in our area had taken high interest rate without knowing the capacity of its members especially for "netsanet fana micro finance" and "Temeret agro finance" because of this reasons most members had didn't pay their loan on time which causes low income generation and poor performance in the multipurpose farmers cooperatives.

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATION

5.1. CONCLUSION

The survey study assesses the factors affecting the performance of multipurpose farmers' cooperatives in Mareko *Woreda*. It also came up with some important findings that lead to possible conclusions. Based on the results of the study on the actual performance of multipurpose farmers' primary cooperatives and its relationship with the selected independent variables, the following conclusions are drawn.

As reveled by the majority of the respondents has tried to assess the evidence with respect to the level of member participation concerning the performance of multipurpose farmers' primary cooperatives and also came up with solution concerning the issue about the level member's participations. For this objective in this study six articulated questions were identified. In line with this the level of member participation concerning the performance of multipurpose farmers' primary cooperatives was very poor and not providing services for members as per required level, except (soil fertilizer).The trends of new membership involvement in the multipurpose farmers' cooperatives were didn't show any changes and almost all cooperatives have stay as it is and also didn't attract new member, its cooperative leaders and members were agreed on after joining as cooperatives members they didn't show production increment in the multipurpose farmers' cooperatives.

In addition to the above issue, most all multipurpose farmers primary cooperatives have not profitable and the cooperative leaders and members were didn't have taking dividend payment from their multipurpose farmers' cooperative regularly. The cooperative leaders and members were didn't have actively participating by selling and buying agricultural products and goods in the multipurpose farmers cooperatives. Therefore, multipurpose farmers' primary cooperatives in the study area are facing with great challenges in meeting the members' needs and satisfying the articulated criteria still not in a position to provide needed financial and non-financial services.

In this study regarding the service delivery related to satisfaction level in the multipurpose farmer's cooperatives, were measured by five key satisfaction level indicators. As the finding of this study proved that the majority of cooperative committee and members in the multipurpose farmer's cooperative was very dissatisfied by the service delivery and not providing services for members as per required level. In connection to these, cooperatives leaders and members were

dissatisfied by receiving dividend refund on time, access to finance and price information in the multipurpose farmers cooperatives. In addition to this the cooperative leaders and members respectively they replied their satisfaction level concerning receiving better price than other traders were highly dissatisfied as well as they cannot satisfied by providing service delivery by cooperative standards .Therefore, multipurpose farmers' primary cooperatives have its service delivery in the study area was encountered major problem which leads dissatisfaction in meeting the cooperative members and committees needs or interest as a whole in which it leads to poor performance in the study area.

Regarding the second objective of this study, six selected performance indicators were identified with respect to the current status of multipurpose farmers' primary cooperatives performance .In this study context six articulated key performance indicators were identified. The right analyses of the major findings lead to the conclusion that, the current status of the multipurpose farmers' primary cooperatives performance was very poor and not providing services for members as per required level, cooperatives are not attracting substantial membership and employee, their profitability is not adequate and building quality asset, not improving the satisfaction of members through managerial and operational efficiency. In addition cooperatives are not providing for members sufficient agricultural input as required time (except soil fertilizers,), and also they didn't creating market linkage with better price .Therefore, multipurpose farmers' primary cooperatives in the study area are facing with potential challenges in meeting the members' needs and still not in a position to provide needed financial and non-financial services.

Regarding the third objective of this study was focused on the internal factors which were expressed here below by member's participation, internal structure and management related factors. The member's participation ,internal structural and management related factors have negatively affecting the performance of multipurpose farmers cooperatives which was specifically defined as; poor participation in training, insufficient participation in cooperative governance, poor participation to vote in general meeting and election, insufficient influencing capacity in the decision making process it reduce and degrade the responsibility of multipurpose farmers' cooperative, in addition to this, the problem on lack of member homogeneity, the *kebele* administration had doesn't assist multipurpose farmers' primary cooperative as per required level ,lack of availability of well-structured facilities and lack of information on government regulation

and directives, lack of clear understanding on duties and responsibility of members, in line with this, the weak culture of working together with mobilizing common resources, and inefficient communication with members, and also lack of well-trained leaders in the multipurpose farmers cooperatives had negatively affecting the overall performance of multipurpose farmers cooperatives in the study area.

Finally, in line with the above objective, these study puts the fourth objective which is external factors were referred to as those issues more relating to the outside and an external environments or situation within which multipurpose farmers' primary cooperatives exist. These factors expressed as the signs of legal and policy regulation, infrastructural, marketing and financial factors. Each factor had its own signs that affect the performance of multipurpose farmers' primary cooperatives in studied area. Infrastructure factors signs include lack of own office and storage facilities. The finding of this study has also revealed that. As indicated in the summary of major findings that, multipurpose farmers' primary cooperatives were followed usual way of marketing systems without forecasting market demands. The both side interview also confirmed that, in most parts of study area producers and consumers exchange agricultural products in very small local markets with fewer prices. Besides, financial system is that requires attention on the sides of cooperatives and financial institutions. Therefore, it was concluded that poor infrastructure, ineffective legal and police regulation, marketing and also poor financial factors were the major external factors that has negatively affecting the overall performance multipurpose farmers' cooperative in the study area.

To conclude, on all the selected dependent and independent variables, from the sample respondents, focus group discussion participants, key informant interviewee, document overview and field observation raw facts were collected and description and interaction between the variables have been analytically presented. The empirical results derived from the tools revealed that, the current status of the performance of farmers' primary cooperatives is very poor and not providing services for members as per required level in the study area.

5.2. RECOMMENDATION

On the bases of the findings and conclusions with regard to assessing factors affecting the performance of multipurpose farmer's cooperatives, the following recommendations are forwarded. All the members of farmers' primary cooperatives are to be fully involved in formation of their respective cooperatives, deciding, implementing, monitoring and evaluation of group activities. Therefore, concerned *woreda* administration and cooperative development offices take major part in creating conducive environment targeting these issues.

Members participation is meaningful not simply as member to contribute of money, rather the extent to which they take active participation regarding planning, attending every meeting of the general assembly and provide vote, in decision making activities, key implementation activities, monitoring and evaluation process. Besides, the multipurpose farmers cooperatives basically needs strong cooperative extension team to propagate the main activities, concepts, principles and philosophy of multipurpose farmers cooperatives to the potential members and leaders, especially for women. This will enable them to develop a sense of belongingness and responsiveness to achieve the overall goals and objective of multipurpose farmer's cooperatives. Therefore, the cooperative committee and members and other concerned bodies should participate each and every step in the multipurpose farmer's cooperatives in wise and harmonized ways in order to achieve good performance in the study area.

The service delivery satisfaction levels are frequently indicated as the main problems which faced by the studied multipurpose farmers cooperatives. Therefore, it is necessary to solve this core problem. Some of the ways of doing can be: the concerned body with together the managements body of multipurpose farmers' primary cooperatives leaders are to be given continuous training on service delivery principles and modern cooperative management skill including how to communicate with their members and mobilize common resources. How to handle and serve the customers or members by cooperative standards, improve the working environment of multipurpose farmers' cooperative committee and also establish clear service delivery system in cost effective ways.

The findings clearly indicates that cooperatives leaders and members are not received a sort of dividend refund or surplus, production increment and didn't get reliable profit from their cooperatives. This has contributed to poor performance within the members and specifically in the multipurpose farmer's cooperatives. Therefore in order to solve the problems were the cooperative leaders or committee and the concerned officials must be establishing clear and specific financial system within the multipurpose farmer cooperative. Specifically, establishing clear and regular auditing system, providing on time dividend payment for its members and committees. If they don't have profit should have to inform the status of the dividend payment issue after the auditing .And also improving saving habit of cooperative members, as well as providing training for responsible committee members related to productivity, profitability and financial management system.

In order to make multipurpose farmers cooperatives and its members to be effective and efficient regarding good performance. Therefore, cooperative leaders and members have to be equipped with the reliable management skill, like modern cooperative management skill including how to communicate with their members and mobilize common resources, cash management skills and accessing loan services with fair interest rates. and they must be acquire business enterprises skill which has also needed to be managed multipurpose framers cooperative efficiently, in order to maximize the returns or profit for their members. Beside, in order to assure successfulness the concerned body must be appoint and assign educated and skilled manager for each multipurpose farmers' cooperative and also the concerned body as well as the non-organizational body should be try to forms capacity building programs especially regular training for the cooperative members and committee to manage and leads their multipurpose farmer's cooperatives in successfully and in cost effective ways.

Based on this study finding the internal structural factors are identified as one of the factors or problem which impose poor performance in the multipurpose farmers primarily cooperatives here. Therefore, increasing the capacity of responsible government institutions from *kebele* to higher level is crucial to be given attention in order to play an integrated vital role in positively influencing the success of farmers' primary cooperatives. Improved provision of necessary rural infrastructures like cooperative office, electricity, building of adequate and modern ware houses and enabling the environment for cooperatives operation .Beside the government increased interventions in order to improve the awareness of officials and rural cooperative development

agent and also timely provide the governments proclamations, regulations and directives for respective offices and multipurpose farmers cooperatives in the study area.

The government should arrange suitable strategies of credit services and market access for farmers could be saved from risks of price falls especially during harvest times i.e. if farmers get credit for their urgent cash requirements, they could wait for prices to raise up for their agricultural products so that to sell later when the market price is interesting for them and also it helps the multipurpose farmers cooperatives to organize themselves and link them directly with exporters and processors so as to avoid unnecessary price exploitations by local traders and provide marketing and business development trainings to their members especially for tomato and onion products.

Provide farmers/cooperatives with timely and accurate market information.

To sum up, the government of Ethiopia has already paved the way for better cooperative development in the country through creating legal basis and expansion of human resource development at higher institution level. Therefore, it is relevant and right time to the study area administration, cooperative offices, cooperative experts, union and grass root level multipurpose cooperative staff to maximize the existing policy environment to the advantage of cooperative development so that members will benefit from it and cooperatives can contribute to the social and economic development of the community as well as the country.

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APPENDICES = A

Questionnaire for Cooperative members

HAWASSA UNIVERSITY COLLEGE OF GOVERNACE AND LAW

SCHOOL OF GOVERNACE AND DEVELOPMEN STUDIES DEPARTMENT OF DEVELOPMENT MANAGEMENT

MA IN DEVELOPMENT MANAGEMENT

INTRODUCTION

Dear respondent,

I am a graduate student in the department of planning and development management in Wolkite University. Currently, I am undertaking a research entitled 'Assessment of Factors affecting performance of multipurpose primary Cooperatives in Mareko Woreda, in Gurage Zone of SNNPR'; In partial fulfillment of the awards of master's degree in development planning and management. You are one of the respondents selected to participate on this study. You are kindly requested to provide the correct and complete information to present a representative finding on the above title as it has a great role for the attainment of the objectives of the study. Finally, I confirm you that all information given by the respondent will be strictly confidential and protected in any way and information will be used for academic purposes only.

Thank you in advance for your kind cooperation and dedicating your time!!

Yours sincerely,

MELESE GELA

Instructions:

- Please do not enter your name or contact details on the questionnaire. It remains anonymous.
- please indicate your answers with a check mark (√) in the appropriate block for Likert scale type statements and multiple choice questions.

Section-1

General Background of Respondents

1. Sex

0. Male, ☐

1. Female ☐

2. Age

(1) 18-33 (2) 33-48 (3) 49-63 (4) 64 & over ☐

3. Your highest educational qualification?

3.1. Non formal education ☐

3.2. Basic education Read/Write) ☐

3.3. Elementary education ☐

3.4. Secondary school Education ☐

3.5. Diploma and above ☐

4. Marital status:

(1) Married ☐ (2) Single ☐ (3) Divorced ☐ (4) Widowed ☐

5. How many family members including yourself do you have?

(1) 1-4 ☐ (2) 5-8 ☐ (3) 9-12 ☐ (4) 13 and above ☐

6. For how many years you engaged in your cooperatives?

(1) 3-5 year ☐ (2) 6-8 year ☐ (3) 9-10 year ☐ (4) 11 years and above ☐

SECTION 2: The issue about the level of member participation in multipurpose primary cooperatives in relation to performance. Please provide the required information based on your experience

7. Do you think about the new membership involvement in your cooperatives is look like?

(1) Increasing ☐ (2) decreasing ☐ (3) No change ☐

If your answer is increasing, what are the reasons (specify) _____?

If your answer is decreasing, what are the reasons (specify) _____?

8. Do you think about after joining as member in cooperative increase your productivity?

(1) Yes ☐ (1) No ☐ (3) No change ☐

If you say'' no ''what are the main reasons (specify) _____

9. Do you think you and your cooperative have profitable? (1) Yes ☐ (2) No ☐

10. If you say'' Yes'' for Q 9 did you take dividend or surplus payment from your cooperative?

(1) Yes ☐ (2) No ☐

If you say for Q No10'' No ''what are the main reasons (specify)_____

11. Are you actively participating in multipurpose cooperative by selling and buying more of your product and goods in the last two years?

(1) Yes ☐ (2) No ☐

If your answer Q11 is No, how many of quintals sold for other than your cooperative? Specify your reason_____

12.Does the cooperatives provide improved seeds, fertilizers and others goods at right time for its members?

(1) Yes ☐ (2) No ☐

Section3 = the issue about the current status of multipurpose primary farmer cooperatives performance. Please provide the required information based on your experience.

19. How do you evaluate your current status of cooperative performance in terms of increase the "service delivery and the "member's satisfaction"?

No	Cooperative service to members	Very satisfied (5)	Satisfied(4)	Neutral(3)l	Dis-satisfied(2)	VDS (1)
1	Dividend refund					
2	Price information and access to finance					
3	Transport service					
4	Better price than other trader					
5	Service delivery with cooperatives standard					

20. How do you evaluate the current performance of your cooperative based on a set of key indicators? Please provide the degree to which you agree with the following expected indicators concerning performance and then put a tick mark(√) under the choice below, where 5=strongly agree 4=agree 3, un decide ,2= disagree and 1=strongly disagree

No	Expected indicators of performance	5	4	3	2	1
1	Cooperatives is contributing for members as per the required level by providing loans					
2	It is encouraging agricultural production of members					
3	It is attracting substantial membership and employee					
4	Its profitability is adequate and building quality asset					
5	It is improving the satisfaction of its members through managerial and operational efficiency					
6	It is creating market linkage with better price for members agricultural product and its financial system is health and transparent					

SECTION4: questions regarding factors affecting the performance of multipurpose farmer's primary cooperatives.

The major factors that affect performance of cooperatives are listed below. Please indicate

the degree to which these factors are affecting the member's performance of primary cooperatives. After you read each of the factors, evaluate them in relation to your activities of members and then put a tick mark (√) under the choices below. Where, **5** = strongly agree, **4** = agree, **3** = undecided, **2** = disagree and **1**= strongly disagree.

1. Please indicate the degree of each mentioned factors below concerning of internal factor in your society

4. How do you rate member participation issue in your cooperative? Please indicate the degree to which you agree with the following statements concerning member participation issue.

No	**Expected perception of Member Participation Factors**	5	4	3	2	1
4.1	poor Participation in training					
4.2	poor Participation in cooperative governance					
4.3	poor Participation to vote in general meeting and election					
4.4	Poor Influencing the decisions in the decision making					
4.5	Poor Attending every meeting of the society					

5. How do you rate internal structural issue in your cooperative? Please indicate the degree of each of the mentioned factors below concerning of Structural factor in your society.

No	**Expected perception of Internal Structural Factors**	5	4	3	2	1
5.1	Lack of Member homogeneity					
5.2	Poor kebele administrators support for cooperative					
5.3	Weak recognition by woreda administrator and cooperative office					
5.4	Lack of availability of well-structured facilities					
5.5	Lack of information on government regulation and directives					

6. How do you rate managerial issue in your cooperative? Please indicate the degree of each of the mentioned factors below concerning managerial factor in your society.

No	**Expected perception of Managerial Factors**	5	4	3	2	1

6.1	Lack of clear understanding on duties and responsibility of members about their cooperative					
6.2	Weak culture and Lack of interest of members to work together through mobilizing common resource in cooperatives					
6.3	Lack of experience and awareness level of members and committee in cooperative values					
6.4	Lack of managerial skills and style of members					
6.5	Lack of educational level and well trained leaders					

Please indicate the degree of each mentioned factors below concerning of external factor in your society.

7. How do you rate legal and policy regulation in your cooperative? Please indicate the degree to which you agree with the following statements concerning policy regulation factors.

No.	**Expected perception of Legal and Policy regulation**	5	4	3	2	1
7.1	Lack of regularities of rules and regulation					
7.2	Bureaucracy in cooperative registration and licensing					
7.3	Lack of government support					
7.4	Political intervention					
7.5	Lack of accessible information on government regulations that are relevant to my cooperatives					

8 . How do you rate managerial issue in your cooperative? Please indicate the degree to which you agree with the following statements concerning infrastructural factors.

No.	**Expected perception of Infrastructural factors**	5	4	3	2	1
8.1	Lack of Storage facilities					
8.2	Lack of sufficient access of electricity service					
8.3	Lack of appropriate cooperative office					
7.4	Lack of access to mass media (TV, radio etc)					

8. How do you rate marketing issue in your cooperative? Please indicate the degree to which you agree with the following statements concerning marketing factors.

No.	Expected perception of marketing factors	5	4	3	2	1
8.1	Inadequate market access for your product					
8.2	Searching new market is so difficult					
8.3	Lack of demand forecasting					
8.4	Lack of market information					
8.5	Lack of communication to attract potential members					

9. How do you rate financial issue in your cooperative? Please indicate the degree to which you agree with the following statements concerning financial factors.

S. No.	**Expected perception of Financial Factors**	5	4	3	2	1
9.1	Inadequacy of credit institutions					
9.2	Lack of cash management skills					
9.3	Shortage of working capital					
9.4	High collateral requirement and loan application procedures of lending institutions are too complicated					
9.5	High interest rate charged by lending institutions					

Thanks for your cooperation!!!

APPENDIX =B
Interview Questions

A= Guideline for key informant's interview

Interview questions with key informants (For office experts)

1. What do you think about the new membership involvement in yours woreda cooperatives are look like?

2 .In what extent do you get over all cooperative service and how can evaluate the service delivery performance?

3. How do you think that the cooperative member participation level in relation to performance and have equal access to over all facilities or service?

4. Do you think that your cooperatives have profitable and productive and also timely provide services like, inputs, goods and refunds /surplus for the members?

5. What kind of assistance do you provide to expand the cooperative movement in the woreda?

6. In what extent external and internal factors affect the overall cooperatives members' performance in relation to their objective and purpose? Please identify and discuss main factors that affect the performance of cooperatives members in depth?

7. From your experience and perception what solution will be you forwarded in order to overcome those challenge and problems of poor performance?

B =for kebele cooperative Agents and Agricultural development agents' interview

1. Do you have with farmer's multipurpose primary cooperatives regular relationships program? Justify?

2. What kind of assistances do you give to farmers multipurpose primary cooperatives? Do you visit farmers' primary cooperatives regularly?

4. Do you give training to multipurpose cooperatives regularly?

5. What do you think about the major problems in farmer's multipurpose primary cooperatives faces?

6. What do you suggest to solve the major problems of farmers multipurpose primary cooperatives in order to make empower the cooperatives and its member?

Appendix= C

APPENDIX = C
Interview Questions

Interview questions for leaders/committees on focus group discussion

1. From whom you purchase your agricultural inputs

2. To whom you sale your agricultural product

3. In what extent do you provide over all multipurpose cooperative service?

4. How can you evaluate the service delivery of multipurpose cooperative in relation to member satisfaction?

5. How do you evaluate the member participation level in your multipurpose primary cooperative and have equal access to over all facilities or service?

6. Do you think that your cooperatives have profitable and timely provide refunds /surplus for the members?

7. What kind of problem do you face in having access to credit from financial institutions?

8. What kind of problem do you face in relation to marketing and other related infrastructures?

9. What links are missing for success of multipurpose cooperative member performance?

11. Do you think assistances you get from government are enough?

13. What you consider as major internal factors contributing the primary multipurpose cooperatives members performance in relation to well performing or not? Which factor dominantly affect and in what extent?

14. What you consider as major external factors contributing the primary multipurpose cooperatives members performance in relation to well performing or not? Which factor dominantly affect and in what extent?

15. From your experience and perception what solution will be you forwarded in order to overcome those challenge and problems of poor performance?

Thanks for your cooperation!!!!

APPENDIX = D
Document Review

Documentary review guide for multipurpose cooperatives performance

1. Availability of:

cooperatives policy, proclamation, regulations and directives in office of multipurpose farmers cooperatives

Cooperatives establishments and training policy and proclamation.

Cooperatives sectors development programs.

2. Availability of cooperatives audit committee establishment's guild line and directives.

3. Availability of Annual plan, meeting schedule, files and regulations

4. Availability of documents it shows cooperative committee and member's participation level in multipurpose farmer's cooperatives

Cooperative member meeting schedule

Decision made by GA and BOD /committee members (files and reports)

Audit report documents and training given to cooperative leaders and members