



**CHALLENGES AND OPPORTUNITIES OF CONSUMER COOPERATIVE IN CASE
OF GURAGE ZONE**

MBA THESIS

BY

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WOLKITE UNIVERSITY, WOLKITE, ETHIOPIA

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OF GURAGE ZONE**

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ADVISORS' APPROVAL SHEET

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This is to certify that the thesis entitled “CHALLENGES AND OPPORTUNITIES OF CONSUMER COOPERATIVE IN CASE OF GURAGE ZONE” is submitted in partial fulfillments for the degree of Master’s with Specialization in business administration, the graduate program of Business Administration, and has been carried out by Abaynesh Assefa Tenkir Id. No BEGE/008/12, under my/our supervision. Therefore, I/We recommend that the student has fulfilled the requirements and hence hereby can submit the thesis to the department.



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Declaration

I hereby declare that this MBA thesis on “Challenges and Opportunities of Consumer Cooperatives in the case of Gurage Zone” is my own original work and has not been presented for a degree in any other university, and all sources of material used for this thesis has been duly acknowledged.

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ACRONYMS

CCW	Consumer Cooperative Worldwide
CSA	Central Statistical Agency
ICA	International Cooperative Alliance
GZCO	Gurage Zone Cooperative Office
SNNPR	Southern Nation, Nationality and People Regional
SPSS	Statistical Package for Social Science
SRS	Simple Random Sampling

Table of Contents	Pages
Declaration.....	v
ACKNOWLEDGEMENTS.....	vi
ACRONYMS.....	vii
List of Tables	xi
List of Figures	xii
Abstract.....	xiii
CHAPTER ONE	1
Introduction.....	1
1.1. Background of the Study.....	1
1.2. Statement of the Problem.....	4
1.3. Objectives of the Study.....	6
1.3.1. General Objectives of the Study	6
1.3.2. Specific objectives of the Study	6
1.4. Research Questions	6
1.5. Significance of the Study.....	7
1.6. Scope of the Study	7
1.7. Limitation of the Study.....	7
1.8. Organization of the Study.....	8
CHAPTER TWO	9
Review of Related Literatures	9
2.1. Theoretical Literature	9
2.1.1. Concepts of Cooperatives	9
2.1.3. Cooperatives and Market Economy.....	13
2.1.4. Characteristics of Cooperatives	14

2.1.6. Cooperative Nature and Types.....	16
2.1.8. Origin and History of Consumer Cooperatives	21
2.1.9. Reason for establishment of consumer cooperative	22
2.1.10. Challenges of Consumer Cooperatives.....	23
2.1.11. Opportunity of Consumer Cooperatives.....	25
2.2. Empirical Studies.....	26
2.3. Summary of Literature.....	30
2.4. Research Gaps.....	31
2.5. Conceptual Framework.....	32
CHAPTER THREE	33
Research Methodology	33
3.1. Description of the Study Area	33
3.2. Research Design and Type	34
3.3. Sampling Design and Sample Size Determination	35
3.3.1. Sampling Design.....	35
3.4. Sample size Determination	37
3.5. Data Type and Sources	39
3.6. Data Collection Methods	40
3.7. Data Analysis Techniques	41
CHAPTER FOUR.....	42
RESULT AND DISCUSSION	42
4.1. Response Rate of Return by Respondents	42
4.2. Demographic Characteristics of Consumer Cooperative Members.....	43
4.3. Descriptive Statistics Analysis.....	45
4.3.1. Challenges of Consumer Cooperative.....	45

4.4. The Qualitative Data Analysis (The Interview Data Analysis)	52
4.5. Opportunities of Consumer Cooperative	54
CHAPTER FIVE	57
SUMMARY, CONCLUSION AND RECOMMENDATION	57
5.1. SUMMARY	57
5.2. CONCLUSION	58
5.3. Recommendations	60
References	62
Research Questionnaire	64

List of Tables

Table 1. The Selected Three Study Area, Five Consumer Cooperatives and Participant Members	38
Table 2. Rate of Response by Respondents	42
Table 3. Personal Background of the Respondent in the study area.....	43
Table 4. Absence of Permanent Employer in the cooperative.....	46
Table 5. Impressiveness of service providing to the cooperative members	47
Table 6. Leave of permanent establisher committees.....	49
Table 7. Members sense of ownership in the cooperative.....	49
Table 8. Leaders' leadership skill.....	50
Table 9. Member participation in the cooperative.....	51
Table 10. Networking with other potential producer and supplier cooperatives.....	51

List of Figures

Figure 1. Conceptual framework	32
Figure 2. Map of the Study Area	34
Figure 3. The Cooperative Identified the Consumer Needs	48

Abstract

Cooperatives are economic and social institutions that are established by the full interest of members regardless of race, color, gender, religion, disability, economic and political affiliation, by collecting resources, labors and knowledge of its members. Consumer cooperatives are used as one of the best way of supplying consumer goods and services with an affordable price to its members, by making chain with potential suppliers. Thus, the main objective of the study was the challenges and opportunities of consumer cooperatives in case of Gurage zone. The study was focused on 5 consumer cooperatives with sample of 255 respondents, who are selected using simple random sampling(SRS) technique. The study used both qualitative and quantitative research approach techniques. Focus group discussion and key informant interview instruments were employed in a qualitative approach technique. The available data was collected using both primary and secondary data sources. The collected data was analyzed by employing both descriptive statistics and exploratory research techniques. From the analysis of descriptive statistics result showed that the main challenges of consumer cooperatives were absence of permanent employer, lack impressive service providing, leave of permanent establisher committees to other areas, lack of networking with potential producer and supplier cooperative, lack of permanent income generating activities other than members saving, lack of sense of ownership both in members and management committee, small membership participation, lack of leadership skill and lack of identifying and supplying consumer goods. On the other hand, from the qualitative data analysis; that is from FDGs and Key informant group discussions, the finding revealed that organizational problems, constraints of sufficient government support, leaders' commitment problems and absence of potential unions supplying consumer goods are the major challenges of consumer cooperatives. On the contrast, the opportunities of consumer cooperatives were: market instability and inflation as the cause of member size increment, government initiative to support the cooperatives, force of inflation as an opportunity of membership size increment, government regulation structures from federal down to wereda level and positive attitude of members towards the growth of the cooperatives. The researcher recommended the government by facilitating a returnable credit access, planning to form potential unions that distribute basic consumer goods, awareness creation to members and leaders to have sense of ownership and; the consumer cooperative leaders should be responsible and accountable to the cooperatives and the consumer cooperatives should hire permanent employer.

Key words: Consumer cooperative, Challenges, Opportunities

CHAPTER ONE

Introduction

1.1. Background of the Study

Cooperatives are economic association of user owned businesses that promote economic interests and general welfare of members. Cooperatives are an organization which has an objective of socioeconomic growth and tackling the problems of poverty alleviation, food security and employment generation of the country. They also; a key to deliver goods and services in areas where the state and private sectors have failed. Cooperatives could be agricultural, non-agricultural, unions, and rural saving and credit cooperatives. They work different sector of the economy including agricultural, handicraft, housing, transport, consumer services, building and construction, banking and insurance, fisheries, forestry, etc. (Paul Gamba et al., 2008). Hence, Co-operatives are still being used in developing economies as a mechanism for economic self-advancement. They offer the promise of lifting communities off state welfare, providing for greater self-determination, and fostering sustainable economic growth. Their role in this type of economic regional development has placed them within the “social economy”, or the third path between that of government controlled or privately held enterprises (Tim Mazzarol, 2009).

Cooperatives are an ideal medium for sustainable livelihood due to their sustainable enterprising objectives, and ability to mobilize people to interact effectively with government and other institutions in the community. They are suited to local development because they organize local people, respect local culture and understand local way of living. Being grassroots initiatives, they are formed to respond to members needs at the local level. Co-operatives seek to build good society guided by mutual cooperation, not competition; motivated by need to build moral character, not profits; creating human dignity, not wealth (Esther & Kirianki, 2012).

According to the international cooperative alliance (ICA), cooperative defined as: 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. Cooperatives can and do play an invaluable role in poverty alleviation, job creation, general economic development and social transformation (ICA, 1995).

Cooperation among people has established since history has been record. Ethiopians have a long history of working together by practicing cooperative like institutions which we call cultural cooperatives. Traditional cooperatives associations existed in form of Ekub, 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 *Edir*, which was an association of people that have the objective of providing social and economic insurance for the members in the events of death, accident, damages to property, among others. On the other hand, “Debo”, “*Jigi*” and “*Wonfel*”, were other types of cultural cooperatives, which were also an initiative for labor resource mobilization that were to overcome seasonal labour peaks. All these traditional forms of cooperation, which are “Debo”, “*Jigi*” and “*Wonfel*” have the same meaning in different local languages in Ethiopia which is “engaging and working together.” Hunting, farming, cultivating lands, sowing, weeding and harvesting were common practices. People built their houses together and herded their cattle together. These cultural cooperatives are existing in Ethiopia still now (Bezabeh,2009). Debo is working together for a short while (less than a day) to assist a neighbor in his/her farming activities. Wonfel- is working together in a reciprocal manner. Gige is also about working together in farming activities but does not entail reciprocity, and usually takes a longer time (a day or two).

The modern cooperative movement in Ethiopia was introduced dates back to 1960, when the first directive of cooperatives was enacted. 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, Proclamation 985/2016, ensures that cooperative policy is fully consistent with the Universal

Cooperative Principles and the ILO's Promotion of Cooperatives Recommendation 193 (2002).

Aside from enacting cooperatives proclamations, Ethiopia has formulated a five-year cooperative development programme. This demonstrates that the federal and regional governments have realized the contribution of cooperatives to economic and social development, food security and poverty reduction in Ethiopia. However, at the district level - where most decision making on capacity building programmes, budgeting and resources allocation takes place - lack of awareness about the role of cooperatives in economic and social development, and lack of awareness regarding cooperative law has made it difficult for integrated promotion of cooperatives in all sectors.

Currently, Cooperatives were known to be as: An association of persons who have voluntarily joined together to a common end through the formation of a democratically controlled organization, making equitable contribution to the capital required and accepting a fair share of the risks and benefits of the undertaking, in which the members actively participate (FCA, 2007).

Cooperatives can differently be grouped into; Producer, Consumer, worker, purchasing and housing cooperatives (Maini, 1972). Producer cooperatives are engaged in the primary production of goods. Consumer cooperatives are established with the aim of acquiring essential products that a group of consumers want collectively at affordable prices (Kimberly and Cropp, 2004). He also argues that the consumer members are primarily interested in improving their purchasing power and the quantity of goods they can buy with their income. Worker cooperatives are formed by members or employees of the same organization. Housing cooperatives are formed by people who want to solve the problem of shelter. Subsequently Purchasing cooperatives are formed by members sharing a common utility of a specified product. They come together so as to benefit from economies of large scale purchasing. Cooperatives are very crucial in community development as well national development (ICA 1995).

Consumer cooperatives could be classified in many ways the first classification is based on the function of cooperative. Accordingly, there are production cooperative, marketing

cooperative, Saving and credit cooperative, consumer cooperative, service cooperative and multipurpose cooperative (Hazel, 1994). Consumer cooperatives are enterprises owned by consumers and managed democratically which aim at fulfilling the needs and aspirations of their members. They operate within the market systems, independently of the state, as a form of mutual aid, oriented towards services rather than pecuniary profit. Consumer cooperatives often take the form of retail outlets owned and operated by their consumers, such as health care, insurance, housing, utilities, and personal finance or including credit unions. Therefore, the major roles of consumer cooperatives were to provide affordable price for goods and services which are essential for the overwhelming majority of people. This study tried to study the challenges and opportunity of consumer cooperative in case of Guragre zone.

1.2. Statement of the Problem

Cooperatives in Ethiopia are playing an active role in the fields of finance, input and output marketing, consumer goods, agro processing, mechanization and many other social and economic activities (ICA-Africa, 2016). Consumer cooperatives or associations are recognized channels through which consumers themselves enforce their rights in the exchange process. International Co-operative Alliance mentions a cooperative is a unique form of business used by people and businesses for their mutual benefit (Geneva, 1995). Consumer cooperatives are organizations that are actually owned by the consumer members who choose to be members of the cooperative venture known as cooperative retail societies in some countries. The main aim of forming cooperative is to commit firms limiting the exercise of market power (Hansmann, 2000). Consumer cooperative is not about making huge profits, although some funds above cost are necessary in order to grow the operation. Consumer cooperatives were established to secure the interest of the consumers in the retail market and they primarily did so by opening retail stores owned and controlled by consumers are members.

According to Tamiru (2017), consumer cooperatives have vital role in improving the living standards of their members by providing consumption goods at reasonable and selling goods at fair price when they compare with private sectors by way of keeping intermediaries from exploitation of traders and unexpected inflation and deflation.

Despite the ups and downs experienced, the consumer cooperative movement in Ethiopia has registered numerical growth over the past decades in terms of membership size, capital and supplying consumer goods at affordable prices. However, membership and capital are still much smaller when compared with the huge potential.

According to Kifle Tesfamariam(2015), the challenges of cooperative movements in Ethiopia are that people are not well informed about the objective of the movement, the contributions it can make in rebuilding the society. At the same time the committee members elected by the general assembly to lead the affairs of the societies for fixed period do not have the necessary capacity to bring good governance of cooperatives (FCA, 2008a). He also mentioned that cooperatives have not yet provided demand driven products that could address the needs of their members in spite of their better outreach to the grass roots.

According to K.Kanagaraj (2012), the major challenges of the consumer cooperatives are corruption, lack of awareness, poor member participation, lack of managerial skills, lack of finance, lake of supervision and audit, hurriedly organized and weak linkage among and other cooperatives are the major problems that affect the activities of consumer cooperatives. These listed problems are major constraints of the growth of the consumer cooperatives.

However, few previous researchers conducted a study on challenges and opportunities of consumer cooperatives, they did not touch exhaustively. Especially, how absence of permanent employer hiring in the cooperative affects the cooperative, service providing, leave of permanent establisher committees to other areas, absence of permanent income generating activities other than members sharing capital, leaders commitment problem, absence of potential unions supplying and distributing consumer goods in the nearby areas, and lack of networking of potential producer and supplier and other related factors affecting consumer cooperatives. Moreover, there is no scientific studies conducted in the study areas. Therefore, the above mentioned previously researcher finding gap is under consideration, the researcher was motivated to study challenges and opportunity of consumer cooperatives in case of Gurage Zone.

1.3. Objectives of the Study

1.3.1. General Objectives of the Study

The general objective of the study is to identify challenges and opportunities of consumer cooperatives in Gurage Zone.

1.3.2. Specific objectives of the Study

- To identify how the consumer cooperatives get challenges in growing their organization in Gurage Zone.
- To investigate the opportunities of consumer cooperatives to the welfare of their members in the study area.
- To examine how the service providing by management committee affect the growth of the cooperative in the study area.

1.4. Research Questions

The study of this research attempted to made answers to the following questions in the course of the study. These research questions are the manifestation of the objectives of the research.

- ❖ How consumer cooperatives face challenges in the study area?
- ❖ What are the opportunities of consumer cooperatives to the welfare of their members in the study area?
- ❖ How service providing of management committees affect consumer cooperative in the study area?

1.5. Significance of the Study

Studying challenges and opportunities of consumer cooperatives have several significant. Among the significant for this study is: it helps to inform the key challenges for consumer cooperatives and to set solutions for their problems in the organization. And also, the study area consumer cooperatives will be used as a training input for awareness creation and how challenges can be overcome to become productive and profitable. It helps also for reference for those researchers to study further. Furthermore, the study also uses consumer cooperatives as guide line how to lead their cooperatives.

1.6. Scope of the Study

The main focus of the study is challenges and opportunities of consumer cooperatives in case of Gurage Zone. In Gurage zone, three areas are selected for this study; which are Welkite city administration, Gumer Wereda and Emdeber City administration. In the study area, there are 44 primary consumer cooperative societies that are currently operating in the study area. An attempt made to study 5 consumer cooperatives, Tochi, Shinat, Addis Hiwot, Temamene and Sarendem; from a total of 44 registered consumer cooperatives, due to time and finance constraints.

1.7. Limitation of the Study

Similar to any research, the study has some limitations. The study has focused only Gurage zone of three areas, Welkite city administration, Gumer Wereda and Emdeber City administration. Other wereda and city administrations are not included in the study. This is due to time and finance constraints. The research also conducted only consumer cooperative members rather than other non-members and other stakeholders. In addition to this, the study has not adequate written sources because it was not studied exhaustively. Therefore, to manage these limitations the general term cooperatives are used as a source and allocated time and budgets are used effectively to conduct the study.

1.8. Organization of the Study

This paper organized into five chapters. The first chapter deals with the introduction part containing background of the study, objectives of the study, the significance of the study, the scope of the study, limitations of the study and organization of the study. The second chapter presents literature review, which addresses both theoretical and empirical literature reviews. Chapter three present about research methodology, which generally focus on research design and type, sampling design and sample size determination, data type and sources; and data collection instruments. The final two chapters of the thesis contain Chapters four and five. Chapter four presents results and discussion that deals with the descriptive statistics of the independent variables result. The final part of this chapter will discuss the findings in line with prior literature and own hypothesis. The last, Chapter five deals with the summary, conclusions and policy implication recommendations.

CHAPTER TWO

Review of Related Literatures

2.1. Theoretical Literature

Here, the theoretical aspects of the literatures reviewed were focused on previous related research on the concepts of cooperatives particularly, consumer cooperatives and their members. Consumer cooperatives are established for providing service for their owned members.

2.1.1. Concepts of Cooperatives

Over the years, various definitions have been given of cooperation. Among the definitions available in the cooperative literature Dooren (1986) defined cooperative as an association of members, either personal or corporate, which have voluntarily come together in pursuit of common economic objectives. The International Cooperative Alliance (ICA), defines a cooperative as: 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 (www.ica.coop). The ICA definition on cooperatives set out seven cooperative principles: voluntary and open membership; democratic member control; member economic participation; autonomy and independence; education, training and information; cooperation among cooperatives; and concern for community. The first four of these are core principles without which a cooperative would lose its identity; they guarantee the conditions under which members own, control and benefit from the business. The education principle is really a commitment to make membership effective and so is a precondition for democratic control, while cooperation among cooperatives is really a business strategy without which cooperatives remain economically vulnerable. The last principle, concern for community, is about corporate responsibility, and it leads into other concerns that the ICA is promoting such as prevention of poverty and protection of the environment. International Labor Organization (ILO, 2015) also points out that members accept a fair share

of the risks and benefits of their cooperative undertakings. As Zeuli and Cropp(2004) defined cooperatives as a user-owned and controlled business that distributes benefits on the basis of use. This definition recognizes three essential features of cooperatives: user ownership, user control, and proportional distribution of benefits. Cooperatives are based on the values of self-help, self-responsibility, democracy, equality, equity and solidarity. In the tradition of their founders, cooperative members believe in the ethical values of honesty, openness, social responsibility and caring for others.

According to Marvin A. (1980), a cooperative is a business voluntarily owned and controlled by its member patrons, and operated for them and by them on a non-profit or cost basis. A cooperative enterprise belongs to the people who use its services, i.e., members control it, and its gains are distributed to the members in proportion to the use they make of its services. The primary goal of a cooperative is to meet members' needs in an economical, efficient manner, whereas the goal in the investor-oriented corporation, the partnership, and the sole proprietorship is to maximize profits for the owners of the business.

Cooperative may render at least four valuable services at capitalistic system of which they are a part: 1) enhance private property, 2) preserve market competition, 3) retain profit motive and 4) maintain and strengthen the individual consumer and entrepreneur. The main purpose of the cooperatives is to make a profit for its patrons or users of the cooperative, not for its investors. The member of cooperative serves themselves. They are both the owners and users of the service. A contractual arrangement between the cooperative and the member patrons requires that all margin above the cost of production be returned to the member patrons in proportion to their business with the cooperative (Zusman, 2005).

In general, according to Chambo (2009), the definition of cooperatives is built on four major catch words; first, they are formed by groups of people, who have a specified need or problem. Second, the organization is formed freely by members after contributing to its assets. Thirdly, the organization formed, is governed democratically in order to achieve desired objectives on equitable norms, and fourth, it is an independent enterprise promoted, owned and controlled by people to meet their needs.

The Cooperative Proclamation No. 985/2016 defines a cooperative as “an autonomous association having legal personality and democratically controlled by persons united voluntarily to meet their common economic, social and cultural needs and other aspirations, which could not be addressed individually, through an enterprise jointly owned and operated on the basis cooperative principles.” Cooperative societies established pursuant to this Proclamation shall have any one or more of the following objectives:

- a) To collectively overcome, withstand and solve economic and social problems which members cannot individually achieve;
- b) To achieve a better result by coordinating members’ knowledge, resource and labour;
- c) To promote self-reliance among members;
- d) To reduce production and service costs and to offer inputs and services to members with lower costs and finding better market prices to their products or services;
- e) To expand situations by which technical knowledge could be put into practice and promote entrepreneurship;
- f) To develop and promote saving culture between members;
- g) To provide loans to members and promote investment;
- h) To provide loan-life insurance coverage to members;
- i) To minimize and reduce damage and loss of each individual member, if it had been undertaken individually, by sharing it to members; and
- j) To develop the social and economic capacity and culture of the members through education and training.

In cooperative philosophy “man is the master of capital whereas in profit maximization of private organizations, capital is a master of man and man is a servant of capital”. This is the first distinguishing mark that objectively differentiates cooperatives from privately owned investment companies. The other main distinguishing feature of cooperatives is related to the three peculiar features of cooperatives i.e. user-owned, user controlled and user benefit. The unique characteristics of cooperatives can be derived from the fact that the customers, owners and members could be the same person.

In a nutshell, cooperatives in Ethiopia are distinct from other forms of business organizations in that: i) They are owned and democratically controlled by their members ii) They are motivated not by profit, but by service to meet their members' needs for affordable and high quality of goods or services iii) They exist solely to solve their members' problems iv) They are exempted from paying income tax v) Primary cooperatives are free from any court fee; and vi) They can obtain land from regional authorities without federal government's sanction

2.1.2. History of cooperative in Ethiopia

The people of Ethiopia have a very long history of working together to fulfill their socio-economic needs by practicing cultural cooperatives like Debo, Jigge, Wonfel, Edir, Ekub, Senbete etc. are existing even before the formation of modern cooperative, recently, which were the bases of Ethiopian modern types of cooperatives. These cultural cooperatives are still taking place in rural Ethiopia through collective effort. There have been mutual organizations in urban areas, too. The Federal Government of Ethiopia has identified Cooperative form of business organizations as an instrument of socio-economic change particularly to achieve food security which leads to sustainable development. The first cooperative organizations in Ethiopia were formed at the beginning of the 1950's with the objective of improving the living conditions, providing social services and offering all the citizens on equal opportunity of contributing to the economic and social progress of the country. Unfortunately, as cooperatives were subjected to state control, they did not register significant performance in terms of democratic management and autonomous power. In 1960's during imperial regime, two cooperative acts were adopted. These are the decree No. 44 of the 1960, called the "farm workers cooperative" and the 1966's cooperative society proclamation No. 241/1966. However, they could not enhance the democratic and autonomous development capabilities within the cooperatives, while the latter has contributed to the today's proclamation No. 147/1998 (Daniel, 2006). Currently, cooperatives are considered as appropriate models to promote agricultural and rural development in Ethiopia. Cooperative activities have been encouraged since the late 1990s and the sector receives various supports, despite the bad legacy from cooperative movements experienced during the socialist regime (Kodama 2007).

Different measures have been taken in support of cooperative sector development, including organization and reorganization of different types of agricultural cooperative societies, establishment of cooperative promotion bureaus at regional level, establishment of federal cooperative agency at a federal level and launching of education and training programs on cooperatives at different universities in the country. A new proclamation on cooperatives was issued by the government in 1998 (Proclamation No. 147/1998) to provide a ground for the establishment and development of all types of cooperative societies.

2.1.3. Cooperatives and Market Economy

Just like any other kind of organization, cooperative societies develop their activities in the framework of a market economy. It means that they have to respect the rules that ensure the good functioning of such economic model while, at the same time, respecting the values and principles that define them. When a conflict between the two sets of rules arises it is necessary to evaluate which ones should prevail (K.Kanagaraj, 2012). One of the basic principles of a market economy is the existence of competition and this is probably the area where most questions can be raised regarding the compatibility with cooperative rules. It would be advisable, when a potential conflict emerges, to do an in-depth analysis of all the economic and social impacts that a decision may have or to have a set of guidelines already in place to help interpret the rules. One of the basic principles of a market economy is that competition is not an end in itself but rather a tool to achieve optimum growth and development. Consumer co-operatives contribute to this objective in many different ways and, in many cases, in a way that neither private nor public enterprises can. In fact: The close link that consumer co-operatives have with local communities is a factor of territorial cohesion. According to K.Kanagaraj (2012), consumers guarantee accessibility to basic products and services at affordable prices even in regions where most private enterprises do not. The economic and social benefits generated by their activity stay in those local communities. Consumer co-operatives provide thousands of stable and high standard jobs. The ethical stance of consumer co-operatives provides not only consumers with safe, high quality and high social standards products but also with equitable conditions for each partner of the supply chain. Through their democratic governance structures they are in a privileged position to understand and address the real concerns and expectations of consumers. The long-term economic and social benefits

generate by co-operative activity are a fundamental contribution to sustainable development which cannot be neglected.

2.1.4. Characteristics of Cooperatives

There is no restriction on membership of a consumer co-operative store as any adult person can become a member of a co-operative. Members contribute capital in the form of share and when there is a surplus it distributed among the members in the form of dividend. The dividend is paid in proportion to purchases made by the members (the more the economic patronage a member renders to the society, the more the dividends). It adopts the principles of one man one vote. A man is not allowed vote by proxy system like in any other cooperative. The trading in the consumer co-operative stores is made on the basis of cash. A sale can be made to non-members on the basis of market rate. It makes bulk purchases directly from the producers and sells these goods to its members or general public on retail basis. It facilitates its members in getting pure and unadulterated goods at a competitive price. It develops a state of morale booster to the poor people who develop greater confidence among themselves.

2.1.5. Basic Cooperative values and principles

2.1.5.1. Cooperative values

According to the ICA (1995), statement on the cooperative identity, cooperatives are based on the values up on which cooperatives are founded. These values are categorized as basic and ethical values. The basic values are self-help, self-responsibility, democracy, equality, equity and solidarity whereas the ethical values are honesty, openness, social responsibility, and caring for others.

2.1.5.2. Cooperative principles

The cooperative principles are guidelines by which cooperatives put their values into practice. Cooperative societies have certain distinguishing principles or characteristics, which set them apart from other forms of business organizations. As a result of this, the ICA (1995) adopted seven fundamental cooperative principles to guide the activities of international cooperative

movements. The seven principles that should abide by cooperatives are namely: (1) voluntary and open membership; (2) democratic member control; (3) economic participation of members; (4) autonomy and independence; (5) education, training and information; (6) cooperation among cooperatives; and (7) concern for community. The principles are also enshrined in the cooperative society's proclamation No. 147/1998 of the FDRE, Dagnachew and Addissie (2009). These seven principles are discussed below.

- a) **Voluntary and Open Membership:** Cooperatives are voluntary organizations, open to all persons able to use their services and willing to accept the responsibilities of memberships, without gender, and social, racial, political or religious discrimination.
- b) **Democratic Membership 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.
- c) **Members' Economic Participation:** Members contributed 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, benefiting members in proportion to their transactions with the cooperative; and supporting other activities approved by the membership.
- d) **Autonomy and Independence:** Cooperatives are autonomous, self-helping organizations controlled by their members. If they enter in to agreements with the 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.
- e) **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 benefit of cooperation.

- f) **Cooperation among Cooperatives:** Cooperatives serve their members most effectively and strengthen the cooperative movement by working together through local, national and international structures.
- g) **Concern for Community:** While focusing on members' needs, cooperatives work for the sustainable development of their communities through policies accepted by their members.

2.1.6. Cooperative Nature and Types

According to Chukwu, S.K. (1990), cooperatives were classified in different criteria that have been adopted by different authors and some of the criteria for classification are summarized as follows. One of the classifying criteria is the area of operation. Urban cooperatives are those operating in the urban areas. There are housing, credit and saving etc. cooperatives operating in the urban area of our country. Rural cooperatives are those operating in the rural areas. Most of the cooperatives in Ethiopia fall in this category. There are grains, livestock, dairy, coffee etc. marketing cooperatives in different rural areas of the country.

On the other hand, Cooperatives can also be classified based on their organizational level. The smallest individuals set up in the cooperative organizational level are primary cooperatives. They usually cover a limited area of operation. They have individual person as a member. The working capital is obtained from paid up shares of each member. The other organizationally form is secondary cooperatives that strive to meet the interest member cooperatives. The working capital is collected from paid up shares of the constituent primary cooperatives. The third layers in the organizational set up are the tertiary cooperatives. These types of cooperatives usually formed by the secondary cooperatives and the working capital are obtained from paid up shares of the constituent secondary cooperatives(Chukwu, 1990).

The other classification criterion of cooperatives is the sector in which the cooperatives engaged. Cooperatives that engaged in the agriculture sector are classified as agricultural cooperatives. There are many agricultural cooperatives operating in the different sub sector of the agricultural economy: dairy, fishery, coffee, grain, input purchasing, etc.... Industrial cooperatives (small scale industry) engaged in the industry sector. These types of cooperatives include handicraft cooperatives and other metal and woodwork cooperatives. Service cooperatives are those engaged in the service sector of the economy. They usually engaged in

the banking, insurance, transport, health, electricity etc (Chukwu, 1990). There are many types of cooperatives that engaged in different activities. These are Housing cooperatives, agriculture cooperatives, saving and credit cooperatives and consumer cooperatives.

The number of operation in which the cooperative engaged is another classification criterion of cooperatives. There are single purpose cooperatives, which have only one field of activity (one purpose e.g. marketing). There are also multi-purpose cooperatives, which have more than one field of activity (two or more purpose e.g. credit and marketing). Multi-Purpose Cooperative Societies unlike single purpose cooperative undertake diversified activities. Multipurpose cooperatives, which functions 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 (Chukwu, 1990).

According to proclamation No. 147/1998, based on their nature, cooperative societies were classified in to primary society, cooperative union, cooperative federation and cooperative confederation.

According to Bezabih E. (2009) who incorporates with ILO, there are four tiers of cooperatives, namely primary cooperative, cooperative unions, cooperative federation and cooperative confederation. In Ethiopia, the apex in many regional states is the cooperative union. However, there are motivations for the regional governments to establish Regional Cooperatives Federations. The Southern Nations, Nationalities and Peoples Region (SNNPR) of Ethiopia recently established the first Regional Farmers' Cooperatives Federation in Ethiopia, which became functional in early 2009. The Oromia Region also just recently formed the Regional Federation of Farmers' Grain Marketing Cooperatives. The cooperative policy is largely determined by the Government and the role of cooperative unions in making policies is currently minor, as most of the cooperative union's lack the capacity to make independent decisions. The role of the union as an apex body is likely to increase once the union's human and financial capacities increase. Currently the role of unions as service provider is quiet immense. The production of the "*Black Gold*" documentary film by Oromia Coffee Farmers' Cooperative Union is live evidence of this. The regional cooperative federations focus on major economic and social services that individual unions cannot

effectively accomplish. The influence and advocacy role of cooperative federations are expected to be effected once functional cooperative confederations are established. Government institutions, colleges, universities and NGOs assist cooperatives to build capacity through short and long term training opportunities. However, in practice, apart from the training contracts given by the Federal Cooperative Agency and training of cooperatives students in their regular programmes, the universities do not have their own scheduled programme to assist cooperatives in a technical capacity.

2.1.7. Concepts of Consumer Cooperatives

Consumer cooperative is a business owned by its customers for their mutual benefits. It is a form of free enterprise that is oriented towards service rather than pecuniary profit. Consumer cooperatives often take the form of retail outlets owned by their customers. The customer of goods and services the cooperatives provides are often also the individual who have provided the capital required to launch or purchase that enterprise (cultivate, coop/wiki /consumer cooperatives). In some countries, consumer cooperatives are known as cooperative retail societies or retail cooperatives through they should not confused with retailers cooperatives, whose members are retailers rather than consumers (Hajala, 2000).

As K.Kanagaraj(2012) noted in his study that Consumer cooperatives are enterprises owned by consumers, managed democratically, aiming at fulfilling the needs and aspirations of the members. With the advent of modern market economy, the position has radically changed and growing number of market functionaries have interposed themselves, adding to the margins at various stages. The result is that, now there is often a considerable price-spread between the producer and the consumer. Of the various measures taken by the government to hold the price line, the development of the consumer cooperatives has by far attracted the greatest attention. A consumer co-operative is a voluntary organization of consumers, organized to obtain their requirements of consumer goods and services on terms of greatest advantage to them. This type of cooperative undertakes retailing, wholesale trading, and sometimes the production and processing of consumer goods. Most of the consumer stores have been established on the principles enunciated by the Rochdale pioneers. These principles are open membership, democratic control, cash trading on a market price, fixed on capital and dividend on purchases.

The main objective of a consumer store is rendering services of its members and customers with goods required by them for household consumption. It is expected to provide goods at a reasonable price and to protect the interest of the members. These stores are also expected to stabilize the price line and check the exploitation of the consumers by the private businessmen.

According to Etzioni (1993) consumer cooperatives are those whose individual members are consumers. This means that the member of a consumer cooperative is an individual person acting as a consumer. Therefore the aim of consumer cooperatives is to meet the needs and aspirations of consumers. ICA (2001) also stated that through their democratic governance structures consumer cooperatives are in a privileged position to understand and address the real concerns and expectations of consumers. Consumer cooperatives are enterprises owned by consumers and democratically controlled by them, aiming at fulfilling the needs and aspirations of their members, who cannot be confused with shareholders. Here “own” means both that the consumers have the opportunity to take the key decisions in the organization’s operations and that they enjoy a segment of any monetary net returns profit that result from its activities. Consumer-members, as all co-operators, have come together to fulfill their economic, social or cultural needs and aspirations, not to maximize profits. Nilsson (2001) noted that the outlets they run are a means to deliver high-quality goods at affordable prices to themselves and the community at large. Among the member’s aspirations is the genuine contribution to community development, respect for people and society progress. Socially responsible actions and behavior are hence of the utter importance for them and not a marginal commitment. Today, the great majority of African countries have enacted modern cooperative laws which fully respect the universal principles of the ICA and the policy orientations of ILO Recommendation 193, consumer cooperatives; other types of cooperatives, such as credit unions, often operated below the radar screen of government attention, and therefore enjoyed a much greater degree of autonomy (ILO, 2014). The presence of consumer cooperatives is also increasing. In Cape Verde, two thirds of cooperatives consist of consumer cooperatives in Egypt, this sector is equally growing as fast, with a consumer cooperatives’ federation reporting membership of 4,320 consumer shops (Aal, 2008). According to FCA (2009) In Ethiopia, a special increase has been witnessed in the number of consumers’ cooperatives

formed in Addis Ababa City Administration, mainly in response to the high cost of goods and services that occurred due to increases in commodity prices during 2007/08. Of the 159 total consumers' cooperatives in service in the Addis Ababa, 115 are newly registered consumers' cooperatives that have been established for less than one year and only few of them are operational. Consumers' cooperatives are growing in other regions as well (Bezabih, 2009).

A consumers' cooperative may adopt the practice of buying goods in bulk for lower prices, but this is not an essential feature of the consumers' cooperative. A group that behaves in this way is sometimes called a purchasing cooperative. The guiding principles that define a consumers' cooperative were set 175 years ago by an association in Rockdale, Lancashire (ICA, 2011). Jain, V. P. in his article "Consumer Cooperatives", has given detailed information on the retail sale of consumer goods, public distribution system and rationalization of fair price shops, supermarkets, opening of self-service shops, mobile van shops and the like.

As Himachalam, D. (cited by K.Kanagaraj, 2012) emphasized the general problems of consumer cooperatives, consumer satisfaction, professionalism, product mix, sales efficiency, challenges and new strategy. Consumer cooperative societies are of a recent origin in this country. Ethiopian economy being predominantly agricultural, its production is dependent on the vagaries of the monsoon and very often there is partial failure of crops in one or more regions. Again, in the event of such shortfalls in domestic production, the wholesalers and retailers often create artificial shortages. Apart from that, the tendency of private trade is to increase profit margin is more pronounced in such situations. The government therefore has promoted consumer cooperatives as an alternative channel of distribution to exercise a healthy influence on individual distributors. Although consumer cooperatives were organized even earlier, they increased in number rapidly during the Second World War and also in the immediate post war period owing to the encouragement from the government. Consumer cooperatives are those whose individual members are consumers. It means that the member of a consumer cooperative is an individual person acting as a consumer.

2.1.8. Origin and History of Consumer Cooperatives

The consumer's cooperative movement owes its origin to the famous Rochdale cooperative store established in 1844 in Britain. The success of the consumer movement is so well known, that it needs no detailed description. The movement has flourished in other European countries also but it did not make any headway in this country till the Second World War which gave a stimulus to this form of cooperation. Acute shortage and high prices of food grains and other necessities of life during the war and post war period, made controlled rationing a great necessity. It was the cooperative institutions which were considered to be the best agencies to make fair distribution of such goods and check black marketing. This movement has achieved spectacular success in some of the western countries like Sweden, Denmark, Finland and Britain (Pencavel, 2020).

Jain, V. P. in his article "Consumer Cooperatives", has given detailed information on the retail sale of consumer goods, public distribution system and rationalization of fair price shops, supermarkets, opening of self-service shops, mobile van shops and the like. Himachalam, D. emphasized the general problems of consumer cooperatives, consumer satisfaction, professionalism, product mix, sales efficiency, challenges and new strategy. Consumer cooperative societies are of a recent origin in this country. Ethiopian economy being predominantly agricultural, its production is dependent on the vagaries of the monsoon and very often there is partial failure of crops in one or more regions. Again, in the event of such shortfalls in domestic production, the wholesalers and retailers often create artificial shortages. Apart from that, the tendency of private trade to increase profit margin is more pronounced in such situations. The government therefore has promoted consumer cooperatives as an alternative channel of distribution to exercise a healthy influence on individual distributors. Although consumer cooperatives were organized even earlier, they increased in number rapidly during the Second World War and also in the immediate post war period owing to the encouragement from the government. Consumer co-operatives are those whose individual members are consumers. It means that the member of a consumer cooperative is an individual person acting as a consumer. According to ILO (1975), in Ethiopia, the first consumer cooperative societies were established in Addis Ababa in 1945.

2.1.9. Reason for establishment of consumer cooperative

The activity of consumption and production is being entirely different from each other. The interests of the consumers and house of the products are bound to be divergent the consumers want to have pure articles of full weight at reasonable price without any discrimination the producer want on the other hand want to earn maximum profit and for achieving their objective. Their protection against the malpractice and exploitation the consumers have organized themselves into cooperative history. The first history was established in England in 1844. After that history have also been established in other parts of the world in the beginning consumers store was merely distribution centers later on they started under taking production activities also those the consumers movement moved slowly and steadily from distribution to production (Hajela,1994). According to Hajela (1994), consumer cooperatives can exist as a single purpose society or as a part of wide activities with the number of objectives survey of the historical creation of consumer cooperative makes it clear that such cooperatives appeared much later and on more restricted scale in the developing countries than the developed countries. The reasons for this are: -

- ❖ Scarcity of funds, in developing countries where earners exist who stimulate the creation of consumer cooperative.
- ❖ The great extent to which the people in developing countries are living off their own and are dependent on others due to the paucity of money income.
- ❖ Small and low economic language subjected to small stock (due to interdependent purchase with other and few members (resulted in adequate capital contribution).
- ❖ Inability to stand up on commercial competition in the form of reducing profit margin
- ❖ In spite of this serious problem, in recent years, there is marked increase in the membership of consumer cooperative and their influence among the growing of population growth of population because of the reasons listed below, efforts should be exerted to set up consumer cooperatives in developing countries.
- ❖ Cooperative brings economic benefits through buying considerable quantities of consumer goods and selling to their member at lower price than private retailers or seller and thereby improving the purchasing power real income of member.

- ❖ Through stabilizing prices, consumer cooperative maintains the price rises at certain level. I.e. reduce inflation.
- ❖ Consumer cooperatives create way of supplying population with good from government and make the management process sure /kindle 2000/.

2.1.10. Challenges of Consumer Cooperatives

Cooperatives in many countries of the world face challenges. However, some cooperatives do run towards, a status of functioning as genuine cooperatives. ILO (1998:71) has tried to identify the factors that produce crises of finance cooperatives many co-operatives. Cooperatives often fail in developing countries due to a series of crisis, such as finance of credibility, management, identity and capital. The various reasons for these failures are:-

- ↪ Members indifference to their own cooperatives
- ↪ Members ' inability to organize and manage their cooperatives effectively.
- ↪ Corruption and mismanagement in cooperative societies
- ↪ Political interference
- ↪ NGO and/ or donor dependency
- ↪ The fact may be then the whole concept of cooperative organization wrong for many developing countries
- ↪ The unsuitable legal, administrative and institutional environment in which many cooperatives run and operate. The root cause comes from management problems, members' alienation.

On the other hand, according to ICA-EU partnership, which aims in part to tackle the shortcomings in comparative legal research, cooperatives are facing challenges, in particular from globalization, market pressure and non-binding international rules. International rules are becoming more relevant, but the legal dimension of cooperatives has yet to be sufficiently explored from a comparative perspective. Warren and Preston (1990), Kobia (2011), and Anbumani (2007), highlight some of the challenges as weak economic base. This translates into weak financial status of cooperatives. Dishonesty, corruption and fraudulent vices are also challenges facing cooperatives (Anangisye, 1977, p.7). UN-Habitat, (2010), cite insufficient managerial skills to be a challenge to cooperative performance. Widstrand (1970, p.130)

shows that political interference as challenge to cooperative. Scholars are listed the challenges of consumer cooperatives. Among the challenges were:

2.1.10.1. Lack of working capital

Most co-operatives are dependent on the internal resources of capital which is the share capital, fee and accumulated profits. Due to that, many cooperatives are facing problem in generating and getting sufficient capital to implement their activities.

The effect of this shortcoming has led cooperative societies unable to produce reasonable returns to members. Even though some cooperatives do have excess fund, these are not being utilized economically but are channeled to other non-co-operative financial institutions. In the long run these problems will hinder cooperative society performance and cooperative society will not be able to contribute to the economy. The issue of the lack of capital can hinder the cooperative from maintaining a good level of accountability where the compliance to related regulations on financial reporting can be neglected by cooperative societies if they are inactive and under liquidation process.

2.1.10.2. Low Membership Size

According to the cooperative promotion office the low participation of members in the cooperative activities is the main problem. Due to lack of awareness, and training on cooperatives related issues, most of the cooperative members are not participating actively in decision making, planning and implementation of business activities of the cooperative. Most of the primary cooperatives have been established without organizing proper cooperative education programs to create sufficient knowledge and skills on cooperative aspects. Hence, there is a need to create awareness on benefits, legal aspects, services and advantages of cooperatives. If members of the cooperatives have good knowledge on cooperative services and advantages, participation of members can be increased.

2.1.10.3. Lack of Management Skills

It can be seen that cooperative organizations do not function efficiently due to lack of managerial skill. The members of their elected representative are not experienced enough to

manage the organization. Because of limited capital they are not able to get professional management. Furthermore, a large proportion of the cooperative societies are still being managed by boards on a voluntary basis and not by the fulltime professional managers as in the bigger and more successful cooperatives. As a result of the absence of permanent employees or a professional management team in cooperatives, the governance and accountability of cooperatives have been affected to some extent. Lack of management talent makes it more difficult for cooperative to maintain certain level of accountability, as a result of inefficient administrative and poor financial management.

2.1.10.4. Problems of coordination

The main reason for the cooperative organizations to fail is Lack of coordination among the management and the members of cooperative organizations. It has been observed that in many instances there has been no proper coordination between cooperative marketing societies, processing societies, and the wholesale consumer stores. Hence, consumer cooperatives loss their market share and their members are dissatisfied.

The basic reasons for the development of consumer movement in Ethiopia are different from those in the West. In western countries, consumer movement was the result of post industrializations affluence-for more information about the merits of competing products and to influence producers especially for new and more sophisticated products.

2.1.11. Opportunity of Consumer Cooperatives

Recently the government gives recognition of cooperatives role, as they play vital role in development. The existence of clear governmental policy and supportive legal framework are essential pre requites in creating conducive environment for cooperatives growth. The proclamation includes, among other, the basic International Cooperative Alliance principles of cooperatives. It is believed that the proclamation is a comprehensive and relatively democratic to potentially address the needs and aspirations of members of the cooperative society in Ethiopia. The importance of cooperatives social and economic development of the country has been recognized by the government of Ethiopia. The government is doing its level best to make cooperatives viable institutions. So according to Federal cooperative agency annual

magazine, 2010, various measures taken by government to improve the status of cooperatives had been considered as opportunities to the sector. That is:

- Beyond the stated policy the detail implementation strategy were formulated. Amendment of cooperatives proclamation N0147/191 and 402/196 and formulas were implementation by laws.
- The cooperatives education and training is conducted in organized manner.
- The institutions engaged in cooperatives and developments have begun strengthened on human resource, finance and materials

2.2. Empirical Studies

A research conducted in (K.Kanagaraj, 2012) with the challenges and opportunities of consumer cooperative societies in Hawassa city, SNNPR, Ethiopia: An analytical approach. The study was focuses on the analysis of challenges and opportunities of 15 consumer cooperatives in four sub-cities of Hawassa Town, Ethiopia. About 200 respondents were selected by adopting simple random sampling techniques. Data was collected by interviewing cooperative officials and by questioners from members as well as non-member respondents. Both qualitative and quantitative data analysis were pursued for the study purpose. The researcher study revealed that the major challenges of consumer cooperatives under the study areas are corruption, lack of awareness, poor member participation, lack of managerial skills, lack of finance, lack of supervision and audit, hurriedly organized and weak linkage among and other cooperatives are the major problems that affect the activities of consumer cooperatives. The study also indicated prospects of consumer cooperatives like, government supports, willingness of non-members to join in consumer cooperative and dissatisfaction of non- members by retailers.

Tamiru (2017) studied the role of Goh consumer cooperative society in price stability in the case of Benchi-Maji Zone. The objective of the researcher study was investigating the pricing policy of consumer cooperative societies, assessing the difference between pricing on selected commodities charged by cooperative society and private sectors and examining factors affecting price setting process of the society. The researcher used both user customer and

members of Goh consumer cooperatives by using stratified and simple random sampling (SRS) techniques. About 40 sample respondents were taken for the study purpose. The researcher concludes on his study that the society has significant role in stabilizing price in the market by selling very important commodities to the user at the lower price as compared to private traders. The researcher also showed on his study that private sectors and shortage of commodity in the supplier side were some of the challenges that they face. Therefore, to overcome these problems, the society should have to create relation with other cooperatives like producer cooperative and SACCO to avoid the problems related with shortage of goods and finance. Beside this, cooperative promotion union should have to give training, technical assistance and cooperative education to societies to improve overall activities.

As Abebaw & Dejen (2019) conducted a study with the objective of assessing the challenges and prospects for agricultural cooperatives in south Gondar Zone, Ethiopia. In the study, the researcher used both primary data source, which is needed for collecting data from members of sampled cooperatives and supported by secondary data. The finding of the study revealed that the most visible prospects for agricultural cooperatives in South Gonder zone were existence of legal framework, Cooperative Unions Support to agricultural cooperatives by providing training to members, women involvement in leadership, awareness creation, and trained members' Positive attitude towards cooperatives. Also findings of the study revealed that agricultural cooperatives in the study area faced many challenges that are internal and external in nature. The internal challenges which were seen from the perspective of members were lack of sense of ownership and lack of follow up and control system by members; lack of commitment, members little awareness about cooperatives, low participation of members in their cooperatives, mistrust; on the side of management committee were failure of management committee to serve the members' interest; management committees' little knowledge about cooperative proclamations, rules and bylaws, limited training access; limited professional support and follow up to cooperatives; failure to adapt the experience of other model cooperatives; little effort to promote cooperative policies, strategies, proclamations, rules and regulations, lack of commitment to find out the problems of cooperatives and fill the gap; fail to organize and provide adequate, quality and timely information on cooperatives. On his recommendation, these challenges may be easy if educated cooperative professionals were

invited to lead the sector. Training to office bearers and education to the members pertaining to their specific needs is another important aspect for cooperatives.

A research studied by Aschalew Mengistu (2015) on assessing the challenges and opportunities on growth of agricultural cooperatives in the case of fruits and vegetables marketing primary cooperatives in Gamo Gofa Zone. Both primary and secondary data sources were used for collecting available data. Twenty six (26) sample respondents were selected among 103 fruits and vegetables marketing cooperatives in Gamo Gofa to investigate challenges and opportunities on cooperative growth. The sample was taken after grouping cooperatives in to three categories based on their member size. The collected data was analyzed using simple statistical tools such as frequencies, percentages, tables, mean and standard deviation with the help of a statistical package called Statistical package for social science (SPSS). The result revealed that the internal challenges of cooperatives like, the way members dealing with their cooperatives, governance issues like; low representation of female members, lack of transparency and accountability, strong degree of reliance on government support and lead by unqualified (elected) leaders. Also, the external challenges agricultural cooperatives were high influence of vested interest, small and fragmented farm land and absences of healthy political environment, inadequate training access and low price for their products in the presences of opportunities; accessible marketing information, supportive social environment and conducive policy environment.

As Alema (2008) conducted a study on empirically analyzing the role of agricultural multipurpose cooperatives found in the Southern Zone of Tigray Region of Ethiopia. Both primary and secondary data were taken for this study. The study was employed both participants and non-participants of the cooperatives agricultural input and output marketing. A three-stage random sampling procedure was adopted to select 10 primary agricultural multipurpose cooperatives and a total of 208 sample respondents at the rate of 56 from Alamata and 152 from Ofla Woreda. Primary data pertaining to the year 2006/7 was collected from the selected sample respondents by using a through structured interview schedule. Both descriptive statistics, which was using t-test and chi-square test; and probit econometric model was used to analyze the collected data. Among fifteen explanatory variables included in the model, ten variables were found to be significant. Of these, six explanatory variables namely

own land, shareholding ,distance, output price, membership in other cooperatives and seed price) were found to be significantly and positively related to the participation of cooperative members in the agricultural input and output marketing by cooperatives.

According to Muthyalu (2015) a study an attempt has been made to assess the growth and challenges of cooperative sector in Ethiopia. To carrying out the study, the data have been collected from various secondary sources such as annual reports, Bulletins, progress reports, and audit reports from the concerned cooperative offices. The descriptive statistical techniques were used for data analysis. The study shows that the number of cooperatives has shown a significant increase. Multipurpose cooperatives, saving and credit cooperatives, consumer cooperatives, and housing cooperatives are the most important types in terms of number of establishments. Some of the challenges (lack of capital, functional weakness, absence of good governance, lack of cooperation between cooperatives, lack of training, lack of managerial talent, and lack of integrity among the management) that hinder cooperatives from maintaining certain level of accountability.

Merihun Fikru & Endrias Geta (2017) undertook a study on performance of multi-purpose primary cooperatives in rural areas of Woliata zone. The researcher used both primary and secondary data sources. Twelve cooperatives were purposively selected from the weredas and stratified random sampling was used for respondent selection. Thus, the study revealed that lack of long term credit, lack of professional managers, low technical and follows up by the concern bodies, very weak members' economic and or financial power to strengthen, the infrastructure facilitation problems were the major challenges of multi-purpose primary cooperatives.

Nuredin Mohammed & Byeong Wan (2015) analyzed the role of cooperatives in rural development the case of South Nations Nationalities and Peoples Region. Despite a wide increase in number of cooperatives, cooperatives couldn't flourish as expected. Past attitude (ideology), lack of committed leadership, lack of good governance (management), lack of working capital, attitude and practice of corruption, lack of knowledge and skill, lack in provision and utilization of improved technology, weak vertical and horizontal linkage within

and among cooperatives, lack and inappropriate support from government and other stakeholders.

Abebe Tizazu (2018) studied a research on analysis of the challenges and roles of cooperatives in agricultural input-output marketing in the case of wodera cooperatives union. For this study, four cooperative societies from the member of wodera Farmers' Multipurpose Cooperative Union were selected purposively, based on the availability of transport, vicinity, market share with the union and possibility to contact experts in the area. A total of 225(10% of their members) individuals were selected from the four cooperatives using simple random sampling technique. The finding revealed that cooperatives have a contribution of Input supply role of cooperatives, product market service, employment creation and credit supply role. Moreover, the challenges hindering the performance of cooperatives, which in turn seen in respect of wealth, internal, external, and institutional problems were analyzed and discussed quantitatively and qualitatively.

2.3. Summary of Literature

The primary goal of a cooperative is to meet members' needs in an economical and efficient manner. Actually, cooperatives are both member owners and users of the service. The literature review mainly focused on Challenges and opportunities of consumer cooperatives. Under reviewing the literature, a brief description of cooperatives is found. The review of the literature also highlighted: history of consumer cooperative, characteristics, types, challenges and opportunities of consumer cooperatives. The Literature reviewed support that the variables that challenges the consumer cooperatives were are membership size, coordination problem, management skill problem and working capital. These reviewed variables are also the focus of the study.

Research works reviewed did not point out anything about lack of impressive service providing, absence of permanent consumer cooperative employer, leaving out of permanent establisher committees from the cooperative, absence of other permanent income generating activities other than consumer member saving, lack of networking with potential producer and supplier cooperatives, lack of identifying and supplying consumer goods, lack of working

capital and lack of leadership skill in the previous study. Hence, these are what the researcher intends to fill these research gaps in the area of the study.

2.4. Research Gaps

The researcher observed during the literature review that there is a gap that needs to be filled on the challenges and opportunities of consumer cooperative in Gurage Zone. According to k.kanagaraj (2012) analyzed challenges and opportunities of consumer cooperative in Hawassa City in a better way. Under his study, the major challenges of consumer cooperatives under the study areas were corruption, lack of awareness, poor member participation, lack of managerial skills, lack of finance, lack of supervision and audit, hurriedly organized and weak linkage among and other cooperatives. But, the researcher didn't touch how networking of potential producer and supplier cooperatives; and administrative challenge influences the consumer cooperatives. Similarly, Tamiru (2017) conducted a study on consumer cooperative society in price stability in the case of Bench-Maji Zone. His study finding revealed that the society has significant role in stabilizing price in the market by selling very important commodities to the user at the lower price as compared to private traders. The main challenges of the consumer cooperative society were competition from private sectors and shortage of commodity in the supplier side. However, the researcher studied only on the price side but not touch others factors. And also, other listed researchers such as (Abebe Tizazu, 2018; Aschalew Mengistu, 2015; Jemal, 2008) focused only on agricultural cooperatives input output. Similarly, other researchers were studied role of cooperatives and challenges and opportunity of cooperatives. Moreover, challenges and opportunities of consumer cooperative were not exhaustively studied by the previous researchers. On the other hand, no scientific studies had been conducted in the study area. Therefore, the above mentioned previously researcher finding gap is under consideration, the researcher was motivated to study challenges and opportunity of consumer cooperatives in case of Gurage Zone.

2.5. Conceptual Framework

The conceptual model for the study is identifying and analyzing challenges and opportunities consumer cooperatives case of Gurage Zone. In the literatures reviewed, various empirical studies were focused on the probable challenges and opportunities of cooperatives, such as agriculture input and output, consumer cooperatives, role of cooperatives and others. To carry on the empirical studies to investigate the probability of variables that can challenges and opportunities of consumer cooperatives, the study mainly focused on identifying and analyzing challenges and opportunities of consumer cooperatives in case of Gurage zone.

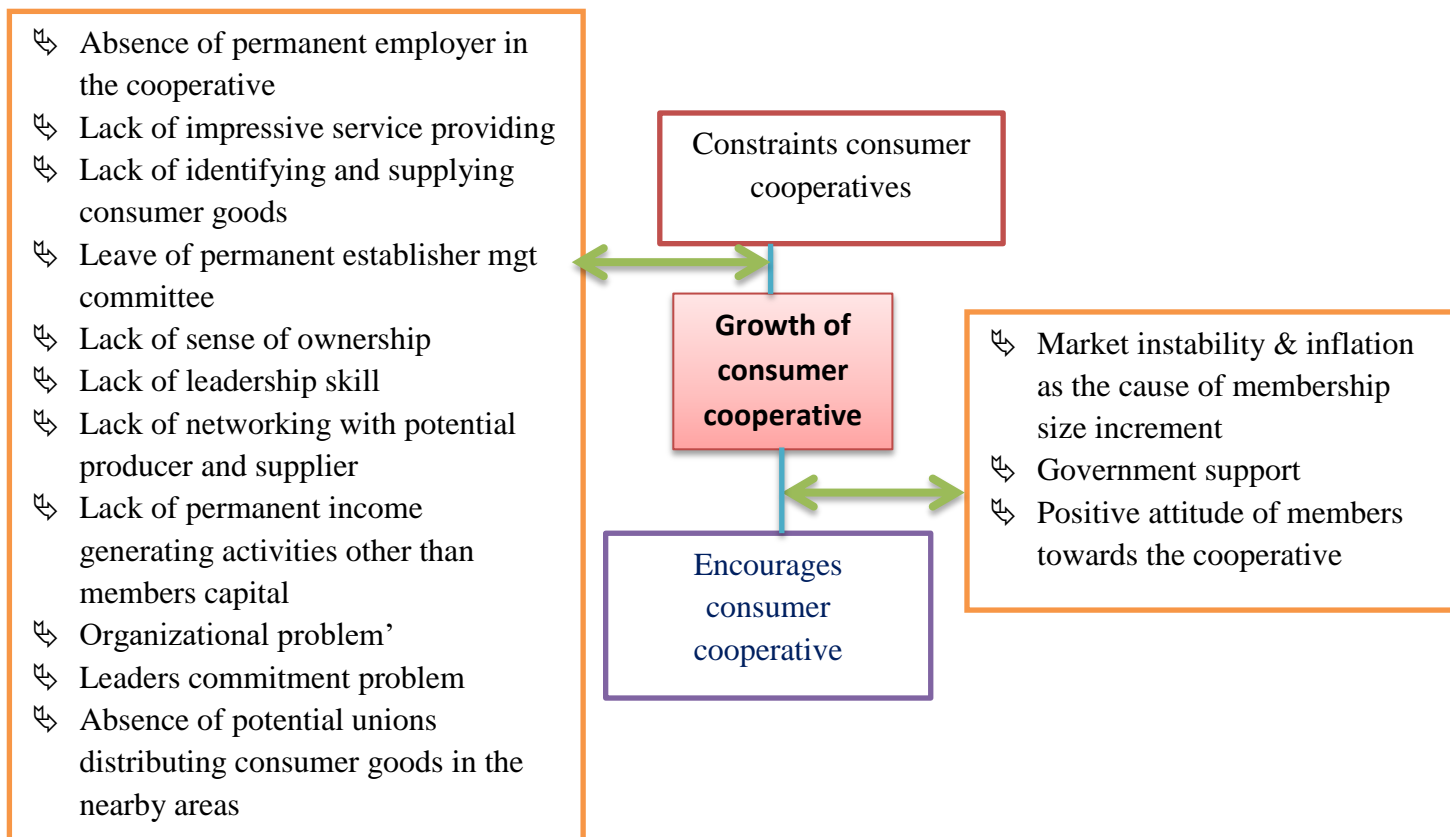


Figure 1. Conceptual framework.

CHAPTER THREE

Research Methodology

3.1. Description of the Study Area

This research is conducted in Gurage Zone. Gurage zone is one of the Zone in Southern Nations, Nationalities and Peoples (SNNPR) that is located South by Hadiya, on the west, north and east by State of Oromia, Yem on southwest and on the southeast by Silte Zone. It exists 1000-3300 meter above sea level. The zone has 16 and five city administrations with an area of 5,893.40 square kilometers. Its population is estimated about 1,888,924 people (CSA, 2007). The researcher was selected three areas, Wolkite city administration, Emdebir city administration and Gumer Wereda among the 16 districts and five city administrations. Wolkite city administration is the center of Gurage zone administration. It is located a distance of 157 km from Addis Ababa, capital city of Ethiopia and bordered on the Northwest by Abeshige wereda, Northeast by Kebena Wereda, Southeast by Cheha and Kebena wereda, South west by Abeshige wereda. Emdebir city administration is found on the center of Cheha wereda, which is bordered in all areas by Cheha Werda. Gummer woreda is one of the Gurage Zone districts(woreda), which is bordered on the southeast by the Silte zone, south west by the Geta wereda, on the west by Cheha and on the north by Eja wereda. According to CSA (2007), it has an estimated population of 113,068 people. The werda covers 233 square kilometer of land. It also found 2500m- 3260m above sea level.

2004). Exploratory research study is used to formulate a problem for more precise investigation or of developing the working hypotheses from an operational point of view. The major emphasis in such studies is on the discovery of ideas and insights. As such the research design appropriate for such studies must be flexible enough to provide opportunity for considering different aspects of a problem under study. The study is focused on challenges and opportunities of consumer cooperatives in case of Gurage Zone.

The researcher used both Quantitative and qualitative research approaches to collect the relevant information in the study area. According to Biset Amene & Yadessa (2018,cited in Moody, 2002), Qualitative data was appropriate since meanings were based on expressions through words, and analysis was conducted through the use of conceptualization. The qualitative analysis aims to collect an in-depth understanding of human behavior and so reasons that govern such behavior. The researcher also uses this approach to fill the gap that has not been covered by the quantitative approach. Quantitative data is numerical data or data in the form of numbers that have been analyzed by using statistical techniques. Quantitative research discusses the systematic empirical investigation of quantitative properties and phenomena and their relationship. However, this paper is highly focused on quantitative data.

3.3. Sampling Design and Sample Size Determination

Sampling may be defined as the selection of some part of an aggregate or totality on the basis of which a judgment or inference about the aggregate or totality is made. In other words, it is the process of obtaining information about an entire population by examining only a part of it (Kothari, 2004). This section provides the way of identifying the number of respondents from the total target population of the study area. In this study, the target population is 5 consumer cooperatives and 3161 consumer members in Gurage Zone.

3.3.1. Sampling Design

3.3.1.1. Population

According to Biset Amene, T., & Yadessa, A. (2018), as cited in Bryman and Bell, (2013), Population refers to the whole that includes all observation or measurement of a given

characteristic. The population is a well-defined setup or an assemblage of all elements about given characteristics. The population is that the universe of units from which the sample is to be selected. Consumer cooperatives were performing like different businesses but the most distinction is that the members are the owners and they are the most customers of the business and the members are different characteristics among them some of the manners are different level of income, educational level, and different living standard among members of consumer cooperative. In this study, the target population is the numbers of the community who are members of the consumer cooperatives in Gurage Zone. There are a total of 44 registered consumer cooperatives and 14,596 members participating in Gurage Zone (GZCO, 2021). Due to high business transaction and membership size, the researcher decides to study 5 selected consumer cooperatives; Tochi and Shinat consumer cooperatives are selected from Emdebir city administration; Addis Hiwot and Temamene from Welkite city administration and Sarendem from Gumer Wereda. In these selected study areas, the total numbers of consumer cooperative members are 3161.

3.3.1.2. Sampling Units

Sampling is related to the selection of a subset of individuals from within a large population to estimate the characteristics of the whole population (Singh & Masuku, 2014). A sample unit is the smallest entity that has been provided one response. Ordinarily, the survey sample unit consists of individual people. Each person in the population had been a sample unit. The sampling unit is a decision that has been taken concerning a sampling unit before selecting the sample (Kohtari, 2004). This paper involves two units of analysis. The major and primary unit of the sample is legally registered members of 5 consumer cooperatives from 44 legally registered cooperatives; Tochi and Shinat consumer cooperatives are selected from Emdebir city administration; Addis Hiwot and Temamene from Welkite city administration and Sarendem from Gumer Wereda. The main reason for the selection of only 5 consumer cooperatives were due to time, finance, and other constraints. On the other hand, the selections of 5 consumer cooperatives relative to other consumer cooperatives are because of business transaction of the cooperatives and larger number of members relative to others. Within these study areas, consumer cooperative members that are engaged in more activities in the consumer cooperative, such owners and service users, are considered as the first unit of the

sample. Second, Board members, manager and employees that are facilitating the consumer cooperative have taken as a second unit.

3.4. Sample size Determination

To determine the sample size of the consumer cooperative members were randomly selected from the total numbers of the members of the consumer cooperative within the selected three areas of Gurage Zone. Yamane (1967:886) provides a simplified formula to calculate an adequate and representative sample of sample size the respondents. The reason for using this sampling method was that the sizes of the members of cooperative are known and it is easy and simple to calculate. Among the several methods of sample size determinations to determine the required sample size is at 94% confidence level and level of Precision = +6%, this means that, if a 94% confidence level is selected, 94 out of 100 samples have the true population value within the range of +6%, precision (sampling error); because of time and resources constraint.

$$n = \frac{N}{1+N*e^2} = \frac{3161}{1+3161*(0.06)^2} = 255$$

Where **n** = sample size (consumer cooperative members)

N = population size (target population)

e = sampling error (level of precision)

1 = the probability of the event occurring

In this procedure, the determined sample size (two hundred fifty five) was selected from the 5 primary consumer cooperatives (Table 1).

Table 1. The Selected Three Study Area, Five Consumer Cooperatives and Participant Members

S/N	Name of District	Name of Consumer cooperative	Member of consumer cooperatives	The probability proportional of the selected Sample respondents
1.	Emdebir city Administration	Tochi	1140	$(1140 \div 3161) * 255 = 92$
		Shinat	966	$(966 \div 3161) * 255 = 78$
		Sub total	2106	$(2106 \div 3161) * 255 = 170$
2.	Wolkite city administration	Addis Hiwot	300	$(300 \div 3161) * 255 = 24$
		Temamene	581	$(581 \div 3161) * 255 = 47$
		Subtotal	881	$(881 \div 3161) * 255 = 71$
3.	Gumer Werda	Sarendem	174	$(174 \div 3161) * 255 = 14$
Total			3161	255

Source: own field survey (2021)

3.4.1.1. Sampling Techniques

According to Kothari (2004), the researcher is decided the type of sample that the technique has been used in selecting the items for the sample. The researcher was applied both probability and non-probability sampling methods in the sampling and selection process. Sampling techniques are broadly classified into probability and non-probability samples (Acharya et al., 2013). In probability sampling, each individual in the population has an equal chance of being selected in the sample. In the case of the non-probability sampling technique, the elements of the population do not have any know chance of being selected in the sample (Acharya et al., 2013).

There are a total of 44 registered consumer cooperatives that are functioning in Gurage Zone. In these consumer cooperatives, the total 14,596 members are found in the study area, under these cooperatives 7,577 males and 7,019 are females (GZCO, 2021). Due to time, finance and other constraints, the researcher decides to study 5 consumer cooperatives; Tochi and Shinat consumer cooperatives are selected from Emdebir city administration; Addis Hiwot and Temamene from Welkite city administration and Sarendem from Gumer Wereda. In these

selected study areas, the total numbers of consumer cooperative members are 3161. To select sample consumer cooperative members for this study, two stage sampling techniques. Two stage sampling technique is a type of multistage sampling, which is used to select items at random.

In the first stage, non-probability sampling, purposive sampling technique is used to select the study areas among Gurage Zone Weredas' and city administrations, which are, Wolkite City administration, Emdebir City administration and Gumer werda, among sixteen (16) weredas (districts) and five city administrations. The reason for this selection of the study areas will be because of business transaction of the cooperatives and larger number of members relative to others. The researcher also uses purposive or judgmental sampling for acquiring data from Boards, managers, and employees of a consumer cooperative. A purposive sample is a form of non-probability sample in which the subjects selected seem to meet this paper's needs. This form of sampling generally considers the most common characteristics of the type it is desired to sample, tries to figure out where such individuals have been found, and then tries to study them (Kothari, 2004). Under judgmental sampling, experts in a particular field choose what they believe to be the best sample for this study in question. Judgment sampling involves special efforts to locate and gain access to the individuals who have the specified information. In the second stage, simple random sampling (SRS) is used to select the sample respondents from the 5 consumer cooperatives, i.e., 255 sample consumer cooperatives members are selected from 3161 legally registered members of consumer cooperatives.

3.5. Data Type and Sources

For this study, the researcher was used qualitative and quantitative data types. Under these data types, both primary and secondary data sources were used. Primary and secondary data sources were used to answer the research questions and to achieve objectives of the study. The primary data sources are those which are collected afresh and for the first time, and thus happen to be original in character (Kothari, 2004). The primary source of data is going to be collected through questionnaires for gathering data from 255 members of 5 consumer cooperatives. Both open-ended and close-ended type of survey questionnaires are chosen in

order to take their advantages for the study purpose. The data collection was made during the period of November 2021. Focused group discussions were attentive on challenges and opportunities of the consumer cooperative with; the Woreda trade and industry development Office, Consumer cooperative board members, managers and officer. Pre-testing (pilot study) of survey questionnaire was done before formal data collection. Pilot study is conducted to test the weakness (if any) of the questionnaires before printing out and distributed to the interviewers; and also of the survey technique. To make the communication easier during collection of data from the respondents, the survey questionnaire was translated into Amharic for practical field work. After these steps, the necessary adjustment was made to contextualize and simplify some items in the questionnaire following the feedback from the field. Moreover, the necessary training was given to 6 data collectors and also; necessary orientation was given to the 6 data collectors to provide orientation to the respondents before filling the final survey questionnaires of 255 sample survey respondents. Continuous supervision is made by the researcher during data collection for maintaining the validity and reliability of the data. Secondary data which is gathering from different source documents, books, articles, research journals, internets, and different reports regarding challenges and opportunities of consumer cooperatives in case of Gurage zone.

3.6. Data Collection Methods

In order to collect the reliable data, the researcher used both structured and semi-structured interview methods. These structured and semi-structured interview methods are used survey questionnaire, which used to collect demographic data about the sample respondents and other variables that challenges, prospects and other variables that has an alternatives like likert scale and other choices of the 255 selected sample respondents. On the other hand, key informant group and focused group discussion methods are conducted face-to-face interviews with board members (management committees), cooperative office head, auditors, trade and industry office head and office employees of the consumer cooperatives, to gain a better understanding of the factor affecting the success of consumer cooperatives. In a focus group discussion interview, 7 management committees in each consumer cooperatives with a total of 35

members are selected ($5*7=35$). On the other hand, in a key informant interview method, cooperative office head, auditors, trade and industry office head are interviewed.

Moreover, qualitative data were collected by using open and close ended questions, taking their advantages for the study purpose. But, Kothari (2004) indicates that closed ended questions have the advantages of easier to handle, simple to answer, quick and relatively inexpensive to analyze and interpret whereas the open ended questions have benefits to allow obtaining depth and variety of responses from respondents. Thus, to collect the available data in each 5 consumer cooperatives, one enumerator was selected with a total of eight enumerators ($1*5=5$), who were graduated in diploma and degree and are familiar with the culture and language of the community to conduct the interview. These enumerators were taken orientation and training to aware the objectives of the study, the content of the questionnaire, the way to approach respondents and conduct the interview and afterwards the questionnaires was tested in the field.

3.7.Data Analysis Techniques

For this study, descriptive statistics, focused group and key informant were employed. The descriptive statistics was employed using frequency, percentages, graphs and tabular ways of presentation. On the other hand, focused group discussions and key informants are analyzed qualitatively, i.e, data which was collected from respondent interview and reviews of documents were interpreted qualitatively. Statistical package for Social science (SPSS) version 20 software was used for data entry and analyzing the descriptive statistics.

CHAPTER FOUR

RESULT AND DISCUSSION

This chapter presents the result from both descriptive and inferential data analysis. The descriptive analysis was employed using tools such as mean, percentage, standard deviation and frequency distribution. In addition, the t-test statistics and chi-square (χ^2) distribution were employed to examine dependent variable with that of explanatory variables (independent variables). These collected data were analyzed using Statistical package for Social science (SPSS) software version 20.

4.1. Response Rate of Return by Respondents

The researcher distributed 255 sample survey questionnaires for interviewing sample consumer cooperative members and leaders. Among the 255 sample distributed questionnaires, 10(3.9%) questionnaires were not properly returned. On the contrast, 245(96.1%) sample survey questionnaires were properly filled and returned. The return rate indicates that there was a high rate of response from the respondents. See table 2 below.

Table 2. Rate of Response by Respondents

Questionnaire	Respondents	Percent
Returned	245	96.1
Not returned	10	3.9
Total distributed	255	100

Source: Own 2022 survey result

4.2. Demographic Characteristics of Consumer Cooperative Members

The demographic characteristic of the respondents includes variables like sex, age marital status, educational level, income source and Monthly income of consumer cooperative members.

Table 3. Personal Background of the Respondent in the study area.

Variable	Category of variable	Frequency	Percent (%)
Sex	Male	154	62.86
	Female	91	37.14
	Total	245	100
Age	18 – 25	6	2.4
	26 – 33	49	20.0
	34 – 41	69	28.2
	42 – 49	68	27.8
	> 50	53	21.6
	Total	245	100
Marital Status	Single	0	0
	Married	199	81.2
	Divorced	17	6.9
	Widowed	29	11.8
	Total	245	100.0
Educational level	No formal Education	2	0.8
	Primary Education	16	6.5
	Secondary Education	27	11.0
	Diploma	55	22.4
	BA/BSc. Degree	135	55.1
	Master and Above	10	4.1
	Total	245	100
Income Source	Petty Trade	33	13.5
	Gov't employer	192	78.4

	Coop. Employer	5	2.0
	Private Trade	15	6.1
	Total	245	100.0
Monthly Income in ETB	1500 and < 1500	13	5.3
	1501 – 2000	5	2.0
	2001 – 3000	33	13.5
	3001 – 4000	33	13.5
	4001 – 5000	99	40.4
	> 5001	62	25.3
	Total	245	100.0

Based on the Table 3 shown above, from total of 245 respondents, 154(62.86%) are male and 91(37.14) are female. The statistical survey result indicates that majority of the users in the cooperatives are males.

Regarding age of respondents, out of 245 consumer cooperative members, 6(2.4%), 49(20%), 69(28.2%), 68(27.8%) and 53(21.6%) were found under the age category of 18-25,26-33, 34-41,42-49, and > 50 respectively as we see respondents response in Table 3 above. Most of the respondents' are fall under the age category of 34 and above.

Regarding marital status of respondents, among 245 survey respondents, 199(81.2%), 17(6.9%) and 29(11.8%) married, Divorced and widowed respectively in Table 3 shown above. As the response of the respondents result showed majority of the consumer cooperative users are the married ones. That is married consumer cooperative members are stable and can support the consumer cooperative ideally.

Based on the survey respondent response, which is shown Table 3 above, the educational qualification of the respondents 2(0.8%), 16(6.5%), 27(11%), 55(22.4%), 135(55.1%) and 10(4.1%) have No formal Education, Primary education, Secondary Education, Diploma, BA/BSc. degree and master and above holders respectively. Majority of the respondents are diploma and Degree holders. Hence, education level is not the case to engage in the consumer

cooperative. In the study area economically, most of the public servants are economically impacted by the market exploiters. Therefore, they decide engaging in consumer cooperative organization to lead their life. Moreover, these societies are economically less power to purchase consumer goods in their received income.

Likewise, among 245 consumer cooperative members, 33(13.5%), 192(78.4%), 5(2%) and 15(6.1%) are petty trader, government employer, cooperative employer and private trader respectively as shown Table 3 above. This indicates that most of members are government employees, which are low income societies; they need consumer goods at affordable price. In other words, they have no sufficient purchasing power or ability to buy consumer goods in private institution relative to other private traders.

According to the survey result, out of 245 sample respondents, 13(5.3%), 5(2%), 33(13.5%), 33 (13.5%) and 99(40.4%) and 62(25.3) are their level of income puts under the category 1500 and < 1500, 1501 – 2000, 2001 – 3000, 3001 – 4000, 4001 – 5000 and > 5001 respectively, as shown in table 3 above. Therefore, consumer cooperatives are an organization of mainly for economically weaker section of the society to being economically strong and protect themselves from all sort of exploitation by the stronger.

4.3. Descriptive Statistics Analysis

To analyze the descriptive statistics of the survey data, the researcher employed the respondent's perception of different asked variables. Research participants were asked to indicate the extent to which they agreed and disagree with statements relating to the variables under the study of the five-point Likert scale (1= strongly agree to 5= strongly disagree). On the other hand, level of satisfaction of the respondents on the given questions are asked to choose the given alternatives like satisfied, very satisfied, dissatisfied and very dissatisfied. Scale of agreement like with great extent, to some extent and rarely are also given to choose the answer of the given questions.

4.3.1. Challenges of Consumer Cooperative

There are various challenges which confront cooperative growth. For simplicity of analysis, challenges of the sampled consumer cooperative cooperatives are discussed below.

4.3.1.1. Absence of permanent employer in the cooperative

Due to absence of permanent employer that monitor and control the overall transaction, the cooperative growing becomes gradual, even gets a big trouble. According to the response obtained from the consumer members, 152(62%) of the members are agree with great extent, 65(26.5%) are agreed to some extent and 28(11.5%) are agreed rarely as shown table below 4. The result showed that absence of permanent employer affect the performance of the cooperative especially a fast growing of the cooperative. On the other hand, absence of the permanent cooperative makes a suitable environment to the corruptors.

Table 4. Absence of Permanent Employer in the cooperative

Variable Type	Category of the variable	Frequency	Percent (%)
Absence of Permanent employer affect the cooperative	With great extent	152	62
	To some extent	65	26.5
	Rarely	28	11.5
	Total	245	100

4.3.1.2. Lack of impressive service providing

Service providing is an essential tool for any business organization. Service providing is a key to attract other non-members to join the cooperatives. On the contrast, if the service providing is not attractive, non-members are not eager to participate in the cooperative, even if the members are may decide to leave the cooperative. That is, if the consumer members have no provided service in attractive way, members will not play an active role in growing the cooperative. As the result the survey result indicates 52(21.2%) are satisfied by the service provided by the cooperative, 24(9.8%) members are very satisfied with the service providing by the cooperative, 137(55.9%) are dissatisfied by the service providing by the cooperatives and the remaining 32(13.1%) are very dissatisfied by the service providing by the cooperative. The result indicates as shown by table 5 below majority of the respondents are dissatisfied by the service providing in the cooperatives, which indicates the cooperatives should revise their internal system of providing the service to the members.

Table 5. Impressiveness of service providing to the cooperative members

Variable Type	Category of the variable	Frequency	Percent (%)
Impressiveness of service delivered to the members	Satisfied	52	21.2
	Very Satisfied	24	9.8
	Dissatisfied	137	55.9
	Very Dissatisfied	32	13.1
	Total	245	100

4.3.1.3. Lack of identifying and supplying consumer needs

Members of consumer cooperatives have different reason for joining their cooperatives. Different members may have different aims of joining the consumer cooperatives. The purpose of joining consumer cooperative is mainly to get consumer goods in affordable prices. Any cooperative society is formed to serve the common interest of the members forming it. The society which is not serving the interest of its members cannot continue functional because the members' participation is mandatory for its survival. The consumer cooperative members want to ask their basic consumer goods what they want to supply. But, most of the time the management committees supply consumer goods without asking the consumer needs. As the figure 3 shown below indicates that the survey result collected from the respondents showed that 47.76% and 24.49% are disagree and strongly disagree that the consumer cooperatives committees are identifying the consumer whereas 11.84% and 0.408% are agree and neutral for identifying of the consumer needs.

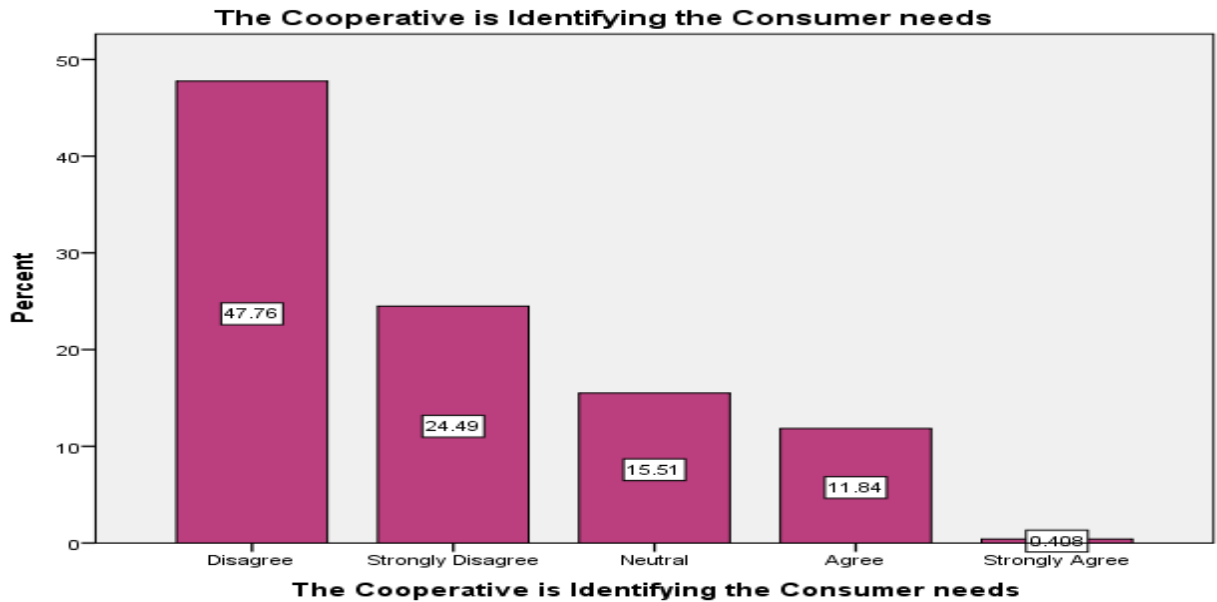


Figure 3. The Cooperative Identified the Consumer Needs

4.3.1.4. Leave of permanent establisher committees

Skilled man power especially experienced and permanent establishers are the back bone of the consumer cooperative. The establisher have gotten different experience how can change the cooperative in a productive way. Hence, leave of these permanent establishers were made a negative influence on consumer cooperative. The survey result indicates that 118(48.2%) and 86(35.1) members strongly agree and agree that leave of permanent establisher committee to other areas affect the cooperative negatively as shown table 6 below . On the other hand, 9(3.6) members are neutral and 32(13.1%) not agreed the leave of permanent establisher committees did not affect the cooperative negatively. The result revealed that leave of permanent establisher to other areas affect the cooperative negatively. This is due to having of matured knowledge of managing and making an effective and productive cooperative.

Table 6. Leave of permanent establisher committees

Variable Type	Category of the variable	Frequency	Percent (%)
Leave of permanent establisher committees to other areas affect the cooperative negatively	Strongly Agree	118	48.2
	Agree	86	35.1
	Neutral	9	3.6
	Strongly Disagree	32	13.1
	Total	245	100

4.3.1.5. Lack of sense of ownership

Unlike other business organizations, cooperatives are controlled, managed and owned by the users. To solve the commonly felt problems, members should first feel sense of ownership and develop economic interest on their organizations. If a member having a sense of ownership, she/he will be participated in any business activities of the cooperatives through effective management, participating in meetings and related activities. The survey result indicates that members has strongly agree and agree on the sense of ownership in their cooperatives are 65(26.5%) and 57(23.3%) respectively. On the contrast, 12(4.9%), 92(37.5%) and 19(7.8%) are those members who are Neutral, disagree and strongly disagree on the sense of ownership on their cooperative as shown table 7 below . So the from the result we the management committees are not make a transparency, reporting and awareness creation for the members of the cooperatives in their regular meeting.

Table 7. Members sense of ownership in the cooperative.

Variable Type	Category of the variable	Frequency	Percent (%)
Members Sense Ownership	Strongly Agree	65	26.5
	Agree	57	23.3
	Neutral	12	4.9
	Disagree	92	37.5
	Strongly Disagree	19	7.8
	Total	245	100

4.3.1.6. Lack of Leadership skill

Cooperatives need leadership skills to conduct their day to day tasks in an effective manner. Leadership includes the competence to influence, inspire, unite, direct, encourage, motivate, induce, move, mobilize, and activate others to pursue a common goal or purpose while maintaining commitment, momentum, confidence and courage. Most of the cooperatives were in great problem because of lack of skilled manpower to lead their day to day activities. As the table 8 shown below, majority of the responds 56(22.9%) members' responds leaders have skills to lead the cooperative, 82(33.4%) members responds the leaders have leadership skill to some extent and the remaining 107(43.7%) memes responds leaders have no leaders skill to lead the cooperatives. Hence, leaders need cooperative skill training to develop their leadership quality due to leadership requires education.

Table 8. Leaders' leadership skill

Variable Type	Category of the variable	Frequency	Percent (%)
Leaders have leadership skill leading the consumer cooperative in achieving its goal	With great extent	56	22.9
	To some extent	82	33.4
	Rarely	107	43.7
	Total	245	100

4.3.1.7. Small Membership Participation

Members are voluntarily come forward to participate in all the activities of consumer cooperatives towards for sustainable development and cooperative awareness are prerequisite for organizing a cooperative. Regarding the response obtained from the member, 101(41.2%) and 92(37.6%) of the respondent strongly agreed and partially agreed that small membership has a negative effect on cooperative growing. On the other hand, 39(15.9%) are neutral whereas 13(5.3%) are strongly disagree that small membership has negative influence on cooperative growing. From these we can understand that member participation in those consumer cooperatives is poor. Hence, to enhance member participation, the government as well as the cooperative agency provides education and training on the awareness creation

about the benefits and objectives of consumer cooperative for their members. The following table 9 shown below shows the frequency of members’ participation in to general body meetings.

Table 9. Member participation in the cooperative

Variable Type	Category of the variable	Frequency	Percent (%)
Small membership participant has a negative influence on cooperative growing	Strongly Agree	101	41.2
	Agree	92	37.6
	Neutral	39	15.9
	Strongly Disagree	13	5.3
	Total	245	100

4.3.1.8. Lack of Networking with potential producer and Supplier cooperatives

As per the responses obtained from the members, networking among and with other potential producer and supplier types of cooperatives are very weak. Based on the following table, majority of 172 (73%) of respondents think that there is a weak forward and backward linkage with other potential cooperatives that provides inputs for smooth functioning of consumer cooperatives. The remaining 73(29.8%) of the respondents agree that linkage among and with others are strong. The following table 10 shows below the opinion respondents on strong linkage among and with other cooperatives.

Table 10. Networking with other potential producer and supplier cooperatives

Variable Type	Category of the variable	Frequency	Percent (%)
Networking with potential producer and supplier cooperatives and others	Strong networking	73	29.8
	Weak networking	172	70.2
	Total	245	100

4.3.1.9. Lack of permanent income generating activities other than members capital

For the growth and development of cooperatives, cooperatives should not be fenced by a limited income generating activities. Most of the consumer cooperatives focused only on members saving. These may help as one of the factors for the growth of the cooperatives. But, cooperatives also focused on permanent income generating activities by integrating with the local governments such as shopping, better storage access for renting.

4.4. The Qualitative Data Analysis (The Interview Data Analysis)

These qualitative data are collected from the focused group discussions and key informant groups. Most of the Ethiopian cooperative movement faced many challenges that need to be addressed by the cooperatives themselves and the government. Explained below are some of the issues and challenges that hinder consumer cooperatives from their growth.

4.4.1. Lack of working capital

Finance is an essential component and is considered as a backbone in any type of business organization. Most of the cooperative societies are not growing in working capital enough to deliver vibrant products and services so as to ensure their market share. This is a basic challenge before the cooperatives. They should be made financially self-sustained by increasing the member contribution in realistic terms. The members in consumer cooperatives are poor having very limited savings. The consumer cooperatives are finding it very difficult to mobilize financial resource base from among the members. The members themselves are living in a precarious condition and they can't contribute considerably to build facilities for the cooperatives. Hence, the government should devote some amount of birr in the future for the betterment of consumer cooperatives.

4.4.2. Organizational problem

Building strong internal organization of consumer cooperative is the basic issue of growing the cooperative. Based on the finding of Key Informant group discussions, most of the consumer cooperatives have not sound and formal organizational structure. Organizations performance is the backbone of the cooperative. Therefore, consumer cooperatives need to have clear structure and basically need strong cooperative extension team to propagate the

concept, principles and philosophy of cooperatives to the general public, potential members, youth and women in order to strengthen the cooperative sector.

4.4.3. Constraints of sufficient government support

The local government support is a basic need of the consumer cooperative in stabilizing the market and limiting the power of private traders. According to the FGDs, lack of credit access to supply consumer goods in a good time, lack of providing sustainable income generating activities other than member capital like access to trading shopping, lack of access to storage facilities and lacks of suitable condition of awareness creation training to the cooperatives members. Especially, lack of access to credit is the main problem of consumer cooperatives to supply consumer goods in least cost from potential suppliers and producers.

4.4.4. Leaders' commitment problems

Active and the committed leaders design model on plan how to change the cooperative in the way of achieving its goals especially changing the lives of its members. In order to achieve the goals of the cooperative, leaders combine ideas, processes, materials, facilities, and people to effectively provide the services to meet members' expectation. On the contrast, non-committed leaders lead the cooperative in unprofitable way. From the findings obtained from the Key Informant group discussions (cooperative office head, auditor and trade and industry office head), most of consumer cooperative leaders are focused on their own work rather than giving sufficient time to their responsibility work given by the cooperative members. Even they always want a push from others members and few strong leaders. That is, management committees do not consider they are accountable if they don't work properly. They think the work is not paid work. Therefore, they do not worthy about identifying consumer goods by searching different information from different area of potential suppliers by combining best ideas. Moreover, in a yearly general assembly report, they did not make transparency to the members. Even they did not follow up and monitored the assets that appeared in the cooperative from corruption.

4.4.5. Absence of Potential unions supplying consumer goods in the nearby areas

In the study area, there are two unions, Admas and Agnot unions. These unions are mainly focused on saving and producing oil especially in Admas farmer union. But they did not distribute the consumer goods in a sustainable ways even if some time trying. According to the finding of FGDs, absences of potential supplier unions in the study areas affect those who want to join consumer cooperative as a members.

4.5. Opportunities of Consumer Cooperative

The relation between state and cooperatives is great significant to the development of cooperative movement. With regard to this issue the state has the responsibility to formulate policies that encourage the growth and development of cooperatives. The government should also support the development initiative of cooperatives through open and competitive policy and suitable operating environment. However, even when government plays a catalytic role, the cooperatives quickly should become member owned (displacing the government capital with their own) and member operated (member elected and controlled management committee). Governments have played important role initiating cooperatives, but have been slow in turning them over to member ownership and control. This has generally proved detrimental to the growth of the cooperative movement. With this regard, there are various good opportunities in the study area are:

4.5.1. Market instability and inflation as the cause of membership size increment

Driving force of inflation and market instability can cause members to engage in consumer cooperatives. Currently, the price of commodity goods are increased every day to day activity. As we know consumer cooperative is the best way of getting consumer goods in a fair price. Therefore, most of the lower income family groups want to engage in the consumer cooperative as a member. This is due to a high increase of commodity prices of goods.

4.5.2. The government support need increment

From Federal government to Wereda local government, there is an increasing of promoting and support from the government to the consumer cooperatives time to time in different ways.

As the interview finding of FGDs; management committees, cooperative office even if inadequate support given by the local wereda and city administrations, the support from the local government in facilitating access to transport, access to infrastructure were not deniable. The support is increased in each year. Therefore, the consumer cooperative uses these promotion and support of government to liberate from their problems.

4.5.3. Government regulation structures from Federal down to wereda level.

Cooperative experts and the NGO representatives working on cooperatives indicated that the legal framework is workable and somehow conducive. The respondents further revealed that the disparity lies between the defective legal framework of the Derg with aggressive government authorities to channel the socialist ideology provisions versus the relatively conducive legal provisions with inefficient government officials and cooperative leaders at different level of the cooperative bureaucracy. Therefore, it should be taken into consideration that appropriate legal provisions such as the proclamation and by-laws are necessary but not sufficient conditions for the growth of efficient cooperative; inappropriate legal framework is not solely responsible for unsatisfactory cooperative growth.

However, some respondents believed that there are still gaps in fulfilling all the privileges given in the proclamation No.147/98, which state that the government providing enough support to cooperative form of business like acquiring land, getting credit through the collateral of the government and getting audit services free of charge once in a year are not in a way that can fulfill the demand of their cooperatives. Further, according to woreda level cooperative promoters' opinion, cooperatives began to receive consistent and effective technical and administrative support after the establishment of independent cooperatives promotion office; however their support could not go longer in a sustainable way to these cooperative societies.

In general, the legal framework creates opportunities for the cooperatives in the study area in a better manner than the previous governments. However, still there are gaps in realizing the legal frame work taking the unique nature of these societies. The gap emanates both from inefficient government officials and cooperative leaders at different level of the cooperative bureaucracy and the impractical of the government promise that expected to provide a

special privilege to these cooperatives. Therefore, the researchers concluded that in order to establish a cooperatives society in a sustainable manner, these gaps that bottlenecked the legislation of the government should be averted.

4.5.4. Positive Attitude of members toward the cooperatives

Members are motive and eager to change their cooperatives especially giving constructive ideas. On the other hand, members are shared their knowledge on how to take lesson from model cooperatives.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATION

The preceding chapter presented results and discussion of the study, whereas this chapter deals with summary, conclusion and recommendation of the study based on the findings. Accordingly, this chapter is organized into three sub-sections. The first section of this chapter discusses the summary, second sub-section discusses conclusions part briefly and the final section presents recommendation for the findings.

5.1. SUMMARY

This chapter focuses on the summary of findings of the study which formed the foundation for discussions. The discussions provided a firm basis upon which conclusions and recommendations were advanced to address challenges and opportunities of consumer cooperatives in Gurage zone.

Consumer cooperatives are basically formed to solve the problem of low-income societies that cannot solve their problems individually. Consumer cooperatives play an important role in creating strong economical and social ties by providing affordable consumer goods to their members. The main objective of this study was challenges and opportunities of consumer cooperatives in the case of Gurage zone. To achieve the study, the researcher used both qualitative and quantitative data types using the primary data collection method from 255 selected sample consumer cooperative members. The qualitative and the quantitative research approaches are used for this study. The researcher also employed both descriptive and exploratory research designs for answering the objective of the study. The descriptive statistics was analyzed by employing percent, frequency, graphs and tables. On the other hand, the focus group discussions and key informant discussions are used to collect qualitative data. Thus, from the analysis of descriptive statistics result showed that the main challenges of consumer cooperatives were absence of permanent employer, lack impressive service providing, leave of permanent establisher committees to other areas, lack of networking with potential producer and supplier cooperative, lack of permanent income generating activities

other than members saving, lack of sense of ownership both in members and management committee, small membership participation, lack of leadership skill and lack of identifying and supplying consumer goods. On the other hand, from the qualitative data analysis; that is from FDGs and Key informant group discussions, the finding revealed that organizational problems, constraints of sufficient government support, leaders' commitment problems and absence of potential unions supplying consumer goods are the major challenges of consumer cooperatives. On the contrast, the opportunities of consumer cooperatives were: market instability and inflation as the cause of member size increment, government initiative to support the cooperatives, force of inflation as an opportunity of membership size increment, government regulation structures from federal down to wereda level and positive attitude of members towards the growth of the cooperatives.

5.2. CONCLUSION

The followings conclusions were made from the study. It was concluded that absence of permanent employer affect the growth and development of the cooperative. Permanent cooperative officer have an essential role in registering each day to day activity of the work, control the overall transaction. If this a great problem the cooperative growing becomes gradual, even it can fail giving service to its members.

The service providing by management committee is another challenges of most of cooperatives. Service providing is one of the attraction of the operation to add other non-members. Non-members interest was increased if the service providing by the consumer cooperative management committees are impressive.

Leave of permanent establisher committees is another key challenge of consumer cooperatives. This is the reason; they have a long period of sharing experience with their stay and other cooperative. Therefore, brain drainage to other areas affects the cooperative negatively.

Lack of permanent income generating activities should be the focus of management committee for the growth of consumer cooperative. The consumer cooperatives have complicated problems. To lift out from big problems the local government supports other permanent income generators. These are like shopping, rental storages.

Cooperative leaders should be well skilled because well skilled leaders have good governance skills, good management skills, and visionary and can be relied on. Members should also be trained since trained members clearly understand cooperative goals, participate fully in the cooperative, understand their rights in the cooperative, exert control over their cooperative and own their cooperative. The result showed that skilled leader had a significant benefit to growth the consumer cooperative positive. On the other hand,

Since the management committees are selected in the general meetings, most of the members don't think I am responsible and accountable for their actions. This is basically the problem of sense of ownership and commitment problem. Most of the consumer cooperative work burden has been put on the under shoulders of some management committee members. Most of the management committee members need advocacy. They don't give sufficient time to the growth of the cooperative; especially they do not plan and design how to satisfy the consumer cooperative members by providing affordable consumer goods by networking potential suppliers and producers. That is, lack of responsibility, accountability and sense of ownership were the major problems of consumer cooperatives.

Even if precautions are being taken to ensure that members' resources are not wasted but most of management committees are lacked cooperative business skill even if most of them are diploma and bachelor degree holders in other subjects.

Mostly, the management committee try to solve the consumers problem such supplying consumer goods, private traders reduce the amount of money immediately to weaken the cooperative. Even if, the potential producers are changed their promises when they contact in call and after reaching the area. This is the problem of price fluctuation of consumer goods every time.

Mostly, working capital is the back bone of the cooperatives. Cooperatives have gotten shortage of capital to supply consumer goods. Therefore, the cooperatives need communication work to participate other non-members to growth the capital.

Membership size is influences the consumer cooperatives. Most members join cooperatives at roll out phase to access loans. Cooperatives enable members to pool limited resources together

for common investment and members enjoy economies of scale on production, purchasing or marketing. The members also benefit from improved practice and shared responsibility in cooperatives, different capacities and skills participate in the decision making or running of the cooperative societies, access to credits and other services and maximization of returns. Cooperatives are therefore an important vessel for community development. Small number of member's leads to good member participation, good management, low resource mobilization, promotes member social interaction and affects continuity of cooperatives since with increasing group size, collective action becomes more difficult due to social problems emanating from group interactions such. Large number, however, affects economies of scale but on the other hand leads to increased transaction costs as a result of added group monitoring. Membership size is therefore a substantial consideration for cooperative growth. The principle of open and voluntary membership enhances free entry and exit from cooperative movements. Large membership size is desirable for continuity of cooperatives. However policy framework should be put in place to guide the limits on cooperative membership which may be expected to yield relatively higher returns. Therefore, the result showed larger size of membership had a positive effect whereas small membership has a negative effect to growth financially.

5.3. Recommendations

Based on the findings the researcher is going to recommend the following points:

- The consumer cooperative should hire one or two permanent employer that registers the assets to protect the resources from the wastages and corruptions. It is better paying little salary of one or two employer relative to losing of large members assets.
- Leaders should be responsible and accountable to the cooperative members and to their work. Since, leaders receive responsibility from the general assembly; they should manage, follow up and monitor the cooperative in proper way. On the other hand, they should be committed to their responsibility.
- The service providing by management committees in the cooperative should be attractive and satisfied the cooperative members by providing basic consumer goods. This service providing is essential for other non-members who wants join the cooperative.

- The membership size should be controlled since small number of members leads to good member participation, good management, low resource mobilization, promotes member social interaction and affects continuity of cooperatives since with increasing group size, collective action becomes more difficult due to social problems emanating from group interactions such as free-riding. Large number, however, leads to economies of scale but on the other hand leads to increased transaction costs as a result of added group monitoring.
- Members and leaders of cooperatives ought to have a sense of ownership. This is obtained by giving a continuous awareness creation and training for the members and leaders to have sense of ownership. This will be done by integrating cooperative office, trade and industry and other stakeholders.
- The government should support the consumer cooperative in access to credit especially with least interest to supply sufficient consumer goods to their members.
- The cooperative sectors and other stakeholders should provide awareness creation/skill training to the management committee and its members to further seeing their vision of better future; they should also give continuous auditing.
- The consumer cooperative themselves strengthening communication and networking among potential producer and supplier cooperatives to supply goods to their members.
- The local government should support in growing cooperatives especially, should provide access to returnable credit to supply goods to their members.
- The government together with other stakeholders should plan to form/establish potential and vagrant unions that distribute different consumer goods.

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Appendix

Research Questionnaire

Dear Respondent,

Good morning/Good afternoon. My name is Abayneshi Assefa. I am a graduate student of Wolkite University in the Department of Management. Thank you very much for accepting my request to talk with you. I am conducting a research study on” **Challenges and Opportunities of Consumer Cooperatives in case of Gurage Zone**”. I kindly request you to fill up this questionnaire and return properly when finishing answers to the given questions. Therefore, I urge you to share with me all information in freedom. Knowing that; the information given by you will be kept confidential and will be used only to prepare my thesis paper for MBA in Wolkite University. As further evidence, I would like to further inform you that your name, family and identity are not written in this question. Because the study is a list of questions asked, not your identity, I would like to remind you immediately that you do not have any fears.

In general, the results of this study will be used by the concerned government bodies as well as Consumer Cooperatives and other bodies. It also serves as an additional reference for those wishing to do more research on the area. Therefore, I respectfully request that you cooperate by filling in the correct information with the questions included in the questionnaire. Complete the correct answer by marking " ✓" in the box beside it.

Thank you so much for the collaboration!!

Abaynesh Assefa

Part one: Demographic and socioeconomic characteristics

1. Sex 1. Male 2. Female
2. Age 1. 18 - 25 2. 26 – 33 3. 34 - 41 4. 42 – 49 5. > 50
3. Marital Status 1. Married 2. Single 3. Divorced 4. Widowed
4. Education level 1. Non-formal education 2. Elementary school (Grades 1-8)
3. Secondary school (Grades 9-12) 4. Diploma and above
5. What is your main source of getting income? 1. Petty trading 2. Government employee
3. Cooperative employee 4. Private organizational employee 5. If others specify
6. Monthly income in ETB 1. < =1500 2. 1501-2000 3. 2001-3000
4. 3001-5000 5. 5001 and above

Part Two: General information about Consumer cooperatives

1. What are the basic requirements to become a member of a consumer cooperative (if you have more than one answer you can tick on the different boxes)?
 1. Able to pay the initial capital determined by the General Assembly
 2. Able to pay periodic contributions as determined by the General Assembly
 3. Able to sell the goods of cooperative 4. Able to buy goods and services provided by the cooperative
 5. If there is anything else that needs to be explained, write it down -----
2. What did you initiate to engage in the cooperative as a member?
 1. To get access to employment 2. To get access to credit/loan
 3. To get access to periodic dividends 4. To get access to consumer goods with least cost relative to others
 5. To get access to market of production
 6. Others specify-----

3. What is the benefit of becoming a consumer member (multiple answers are possible)?
 1. Because it creates job opportunities 2. Because it provides a solution to consumer goods 3. To get dividends distributed by the cooperative 4. Because it provides savings and loan services 5. If there is any other benefit you want to describe, please write it down-----
4. How many years you been a member of the consumer cooperative?
 1. Since establishment 2. Less than 1 year 3. 1-2 years 4. 3-4 years
 5. 5-6 years 6. 6-8 years
5. Do you believe that being a member of the cooperative has made a difference in your life and economy? 1. Yes 2. No
6. If the answer to the question asked in Q4 No, please write down the reason

7. Consumer cooperative provided cooperative business training to its members on cooperative business 1. Strongly Agree 2. Agree 3. Neutral
 4. Disagree 5. Strongly Disagree
8. What type of responsibility you have in the cooperative? 1. Ordinary member
 2. Management Committee 3. Cooperative Employer
9. Does the cooperative create employment opportunities for its members? 1. Strongly Agree
 2. Agree 3. Neutral 4. Disagree 5. Strongly disagree
10. Have you ever gotten a loan from the consumer cooperative? 1. Strongly Agree
 2. Agree 3. Neutral 4. Strongly Disagree 5. Disagree
11. How many members does your consumer association have? -----
12. Do you believe that the membership size increasing has important role in the growth of the cooperative? 1. Yes 2. No
13. If the answer to question 11 is yes, explain the reason. -----

14. Does your cooperative identify the consumer cooperative member's needs?
 1. Strongly Agree 2. Agree 3. Neutral 4. Disagree 5. Strongly disagree
15. What types of consumer goods are often requested from members of your consumer cooperative? 1. Teff 2. Onion 3. Baking powder 4. Oil 5. Sugar

16. When the General Assembly of the Consumers' Cooperative Association was held?

1. Once a year 2. Every half year 3. Every quarter 5. It has not fixed time

17. Have you ever attended the meeting of the cooperative? 1. Yes 2. No

18. Does it convey appropriate information to the members before the general assembly was held? 1. Yes 2. No

19. How often have you attended a cooperative meeting?

1. Always 2. Sometimes 3. Rarely 4. I have never participated

20. Does your cooperative give access to loan to its members? 1. Yes 2 No

21. If the answer to question number 19 is yes, how much money will the level of demand provide? 1. At a high level 2. At a certain level 3. At a very low level

22. If the answer to question number 19 is no, explain the reason why the loan is not granted. -

23. Do you believe that the cooperative is your own property? 1. Yes 2. No

24. Would you have willingness if you have requested to serve the cooperative voluntarily?

1. Yes 2. No

25. If the answer is yes, have you ever provided free services to the cooperative?

1. Yes 2. No

26. Have you ever seen/received government support as you are a member of the cooperative?

1. Strongly Agree 2. Agree 3. Neutral 4. Disagree 5. Strongly disagree

27. If your answer is strongly agree and agree In Q25 above, what kind of support have you received from the government? 1. Storage and point of sale support 2. Vehicle support
3. Capital support 4. Office support

28. Would you think that if this supports are received from the government there will be a better progress if these issues were addressed by the government, please mention them ----

29. As a member of the cooperative, have you ever participated in the election of a leader?

1. Yes 2. No

30. If the answer is yes, how did you see the election? 1. It was democratic

2. It was somewhat democratic 3. It was not democratic 4. It was an exclusive election

31. What is the relationship between the leadership and members of the consumer cooperative? 1. There is a peaceful and smooth relationship 2. There is a conflict of interest 3. There is a participation problem 4. I don't know what it is

32. Do you believe the cooperative association is growing? 1. Yes 2 No

33. If the answer is yes in Q31, in which area of growth has it progressed?

1. Membership size 2. By capital accumulation 3. By various activities

4. If there are others to be mentioned specify -----

34. If your answer is No in Q31, why did it not grow? 1. Problem of motivation of members

2. Lack of government support 3. Lack of leadership skills

4. Infrastructure problem 5. Market problem 6. Lack of storage space

7. If there are other problems, explain in writing -----

35. Does the small membership size have a negative impact on the cooperative?

1. Strongly Agree 2. Agree 3. Neutral 4. Disagree 5. Strongly Disagree

36. What do you think are the key problems of the cooperative? Mention -----

37. What kind of remedial action would be taken to solve these key problems? -----

38. How do you see the activities of the leaders to achieve its goals?

1. At a high level 2. at a certain level 3. Nothing

39. Which economic group of the society that participate in the cooperative?

1. Low-income class 2. Middle-income class 3. High-income class
4. From any source of income 5. If there is any other, please mention-----

40. What is the main purpose of the consumer cooperative establishment?

1. To provide services to the members 2. To earn and increase profits
3. To provide services to members and non-members of the association
4. If there is anything else, please specify-----

41. Has your consumer co-operative networked with other potential co-operatives, producers and unions to provide consumer goods to its members? 1. Yes 2. No

42. If the answer to the question 40 is yes, from which producer, other cooperatives and unions do it networked, please describe it in detail?

Producer: ----- Cooperatives ----- Unions: -----

43. Does it require willingness to be a member of the cooperative?

1. Strongly Agree 2. Agree 3. Neutral 4. Disagree 5. Strongly Disagree

As your observation how far you believe the performance of the leaders capable to achieve objectives of cooperative?

44. Do the cooperative leaders have the capable of achieving its objective?

1. To a great extent 2. To a certain extent 3. Rarely

45. Do you believe that the more the leader educated the well performance the cooperative have? 1. Yes 2 No

46. The question asked Q44 answer is yes, at which level of education will the leaders should educated to grow the cooperative? 1. Elementary education (grades 1-8)

2. High school education (grades 9-12) 3. College diploma and above

47. Do you believe that the cooperative you participated sells consumer goods to its members at a better price than other private trader? 1. Yes 2 No

48. Do you believe that the service provided by your consumer cooperative is very interesting/
impressive?

1. Very satisfied 2. Satisfied 3. Somewhat satisfied 4. Not satisfied at all

Part Three: Interview guidelines for the FDG

1. What are the major challenges/problems faced your consumer cooperative?
2. What are the opportunities made your consumer cooperative to its members?
3. Do you think that being a consumer cooperative membership beneficial? If yes, what are the major benefits of consumer on the livelihood change of its members?
4. What is the condition of members' livelihood before and after joining the consumer cooperative?
5. What are the major strength and weakness of the cooperative?
6. What are the major functions of your cooperative?
7. Does your cooperative give service in best way? If no, what actions should be taken to give better services to the community?
8. Have you seen any government support to your consumer cooperative? If yes how did you see the support given by government official? Write the supports given to your cooperative.
9. How did you see the management committees' cooperative skill, commitment, democracy and transparency?
10. What is the responsibility and duties of your management committee?
11. Does your cooperative conduct annual meetings regularly? If yes, how often the meeting of cooperative does take place?
12. What action should be taken to achieve its objectives?

Part four: Interview guidelines for the FDG

1. When the consumer cooperatives did establish?
2. What are the main objectives and functions of consumer cooperatives?
3. What are the major internal and external challenges faced by the cooperatives?
4. How many members are in the cooperatives?
5. What are the possible solutions that you suggest to mitigate the problems?
6. What are the major government responsibilities to promote cooperative?
7. How the consumer cooperative made networking to the government officials to growth their cooperative?
8. What operation undertaken to strengthen the cooperatives?
9. Does the government official give awareness creation/training how cooperatives got have opportunities and challenges in the environment?
10. What are the opportunities made to the growth of cooperatives in economical, legal and social?

ለአቶ/ወ/ሮ/ሪት-----

ስሜ አባይነሽ አሰፋ እባላለሁ። በወልቂጤ ዩኒቨርሲቲ በቢዝነስና ኢኮኖሚክስ የትምህርት ክፍል በቢዝነስ አስተዳደር የሁለተኛ ዲግሪ ተማሪ ስሆን የሁለተኛ ዲግሪ ትምህርቴን ለማጠናቀቅ የምርምር ጽሁፍ በመስራት ላይ እገኛለሁ። ስለሆነም ለዚህ የምርምር ጽሁፍ አጋዥ የሚሆን መጠይቅ ለመሙላት ፍቃደኛ ስለሆኑ እጅግ አድርጌ አመሰግናለሁ። ጥናታዊ ጽሁፌ “የጉራጌ ዞን የሽማቾች ኅብረት ስራ ማህበራት ተግዳሮቶችና እድሎች” በሚል ርዕስ ላይ ትኩረት ያደርጋል። ስለሆነም የምሰጡትን መጠየቅ ያለምንም ፍራቻና ስጋት በነፃነት እንዲያካፍሉኝ በትህትና ስጠይቅ እርሶ የሚሰጡኝን መረጃ በሚስጥር የሚጠበቅ ሆኖ ዋናው ዓላማው ለሁለተኛ ዲግሪ የመመረቂያ ወረቀቴን ለማዘጋጀት ብቻ የሚውል ነው።

በአጠቃላይ የዚህ ጥናት ውጤት የሚመለከታቸው የመንግስት አካላትና የሽማቾች ኅብረት ስራ ማህበራት እንደ ግብዓት ሆኖ ያገለግላል። እንዲሁም በአካባቢው ላይ ተጨማሪ ጥናት ለማድረግ የሚፈልጉ ተመራማሪ አካላት እንደ ማጣቀሻ ሊጠቀሙት ይችላሉ። ስለሆነም በመጠየቁ ውስጥ የተካተቱ ጥያቄዎች በአስተውሎት በማንበብ እና ትክክለኛውን መረጃ በአጠገቡ ባለው ሳጥን ላይ የ“✓” ምልክት እንዲያኖሩ በአክብሮት እጠይቃለሁ።

ስለትብብሮ ክልብ አመሰግናለሁ!!

አባይነሽ አሰፋ

ክፍል አንድ፡ የስነ-ህዝብና ማህበራዊ ኢኮኖሚያዊ ባህሪያት በተመለከተ

1. የታ 1. ወንድ 2. ሴት
2. እድሜ 1. 18 — 25 2. 26 — 33 3. 34 - 41
4. 42 — 49 5. > 50
3. የጋብቻ ሁኔታ 1. ያገባ 2. ያላገባ 3. አግብቶ የፈታ
4. ባል/ሚስት የሞተበት/ባት
4. የትምህርት ደረጃ 1. መደበኛ ትምህርት ያልተማረ 2. የመጀመርያ ደረጃ የተማረ(ከ1-8ኛ) 3. ሁለተኛ ደረጃ የተማረ (ከ9-12) 4. ዲፕሎማና ከዚያ ላይ
5. የስራ ሁኔታ 1. አነስተኛ ንግድ 2. የመንግስት ስራ
3. የህብረት ስራ ሰራተኛ 4. የግል ስራ
6. አማካኝ ወርሃዊ ገቢ 1. ከብር 1500 እና ከዚያ ያነሰ 2. ከብር 1501-2000
3. ከብር 2001-3000 4. ከብር 3001- 4000 5. ከብር 4001- 5000
6. ከብር 5001 እና ከዚ በላይ

ክፍል ሁለት፡ ስለ ሸማቾች ህብረት ስራ ማህበራት አጠቃላይ መረጃ

1. የሸማቾች ህብረት ስራ ማህበር አባል ለመሆን የሚያስፈልጉ ዋና ዋና መስፈርቶች ምንድናቸው(መልስ ነው ብለው ካመኑ ሁለትና ከዚያ በላይ ባሉት ሳጥኖች ላይ ምልክት ያድርጉ)?
 1. በጠቅላላ ጉባዔ የተወሰነው መነሻ ካፒታል መክፈል የሚችል
 2. ጠቅላላ ጉባዔው በወሰነው መሰረት በየወቅቱ መዋጮ መክፈል የሚችል
 3. የማህበሩ እቃዎች ለመሸጠት ፍቃደኛ የሆነ
 4. በማህበሩ የሚቀርቡ ግብዓቶች የሚገዛና የሚሰጡ አገልግሎቶች መጠቀም የሚችል
 5. ሌላ ካለ መገለጽ ያለበት ካለ በጽሁፍ ይገለጽ-----
2. የሸማቾች አባል መሆን ጥቅሙ ምንድነው (ብዙ መልሶች መመለስ ይቻላል)?
 1. የስራ እድል የሚፈጥር በመሆኑ
 2. የሸማቾች የአቅርቦት እጥረት(በተለይ የፍጆታ እቃዎች) አይቶ መፍትሄ የሚሰጥ መሆኑ
 3. ማህበሩ ያገኘው ትርፍ ለአባላቱ በፍትሃዊነት የሚያከፋፍል በመሆኑ

4. የቁጠባና ብድር አገልግሎት የሚሰጥ በመሆኑ
5. የፍጆታ እቃዎች በተመጣጣኝና በአነስተኛ ዋጋ ለአባላቱ የሚያቀርብ በመሆኑ
6. ሌላ የሚገልጹት ጥቅም ካለ ይግለጹት-----
3. የማህበሩ አባል ከሆኑ ስንት ዓመት ይሆናል?
1. ከተቋቋመበት ጀምሮ 2. ከአንድ አመት በታች 3. ከ1-2 አመት
4. ከ3-4 ዓመት 5. ከ5-6 ዓመት 6. ከ6-8 ዓመት
4. የማህበሩ አባል በመሆኖ በኖሮዎና በኢኮኖሚዎ ላይ ለውጥ አግኝቻለሁ ብለው ያምናሉ?
1. አዎ 2. አይ
5. በተራ ቁጥር 4 ላይ የተጠየቀው ጥያቄ መልስ አይ ከሆነ ምክንያቱ ምን እንደሆነ በጽሁፍ ይግለጹት? -----

6. የሽማግሌዎች ህብረት ስራ ማህበር ለአባላቱ የትብብር ቢዝነስ/cooperative business/ስልጠና ሰጥቷል?
1. በጣም እስማማለሁ 2. እስማማለሁ 3. ገለልተኛ
4. በጣም አልስማማም 5. አልስማማም
7. በሽማግሌዎች ህብረት ስራ ማህበር የእርሶ ኃላፊነት? 1. የኮሚቴ አባል 2. ሰራተኛ
3. ተራ አባል
8. ማህበሩ ለአባላቱ የስራ እድል ይፈጥራል? 1. በጣም እስማማለሁ
2. እስማማለሁ 3. ገለልተኛ 4. በጣም አልስማማም 5. አልስማማም
9. በማህበሩ ብድር አግኝተው ያውቃሉ? 1. በጣም እስማማለሁ 2. እስማማለሁ
3. ገለልተኛ 4. በጣም አልስማማም 5. አልስማማም
10. ያሉበት የሽማግሌዎች ማህበር ስንት አባላት አሉት?-----
11. ታዲያ የማህበሩ አባል ቁጥር ትልቅ መሆኑ ጠቀሜታ አለው ብለው ያምናሉ?
1. አዎ 2. አይደለም
12. በተራ ቁጥር 11 ያለው ጥያቄ መልስ አዎ ከሆነ ምክንያቱ ያብራሩ-----

13.ያሉበት ማህበር የሽማግብር መሰረታዊ ፍላጎቶችን መሰረት ያደረገ ልዩታ አድርጎ ይንቀሳቀሳል?

- 1. በጣም እስማማለሁ
- 2. እስማማለሁ
- 3. ገለልተኛ
- 4. በጣም አልስማማም
- 5. አልስማማም

14. ያሉበት የሽማግብር ህብረት ስራ ማህበር ብዙ ጊዜ አሰራር እንዲቀርብ የሚፈለጉ ምን ዓይነት የፍጆታ እቃዎች ናቸው?

- 1. ጤፍ
- 2. ሽንኩርት
- 3. ፉርኖ ዱቄት
- 4. ዘይት
- 5. ስኳር

15. የሽማግብር ህብረት ስራ ማህበር ጠቅላላ አሰራር ተገኝቶ ስብሰባ(ጠቅላላ ጉባዔ) የሚያካሄደው መቼ ነው?

- 1. በአመት አንዴ
- 2. በየግማሽ አመት
- 3. በየሩብ ዓመት
- 5. ወጥ የሆነ ቀን የለውም

16. ህብረት ስራ ማህበር በሚያደርገው ስብሰባ(ጉባዔ) ተሳትፎው ያውቃል?

- 1. አዎ
- 2. አይ

17. ማህበር ስብሰባ(ጠቅላላ ጉባዔ) ለማድረግ በሚዘጋጅበት ወቅት ስብሰባ አመካኒዎ ቀደም ብሎ ለአሰራር ተገቢ የሆነ መረጃ ያስተላልፋል?

- 1. አዎ
- 2. አይ

18. ህብረት ስራ ማህበር በሚያደርገው ስብሰባ ምን ያህል ጊዜ ተሳትፎው ያውቃል?

- 1. ሁል ጊዜ
- 2 አንዳንድ ጊዜ
- 3. አልፎ አልፎ
- 4. ተሳትፎ አለውቅም

19. ያሉበት ማህበር የገንዘብ ብድር አገልግሎት ለአሰራር ሰጥቶ ያውቃል?

- 1. አዎ
- 2 አይ

20. በተራ ቁጥር 19 የተጠየቀው መልስ አዎ ከሆነ ምን ያህል ደረጃ የተጠየቀው ገንዘብ ያቀርባል?

- 1. በከፍተኛ ደረጃ
- 2. በተወሰነ ደረጃ
- 3. በጣም በዝቅተኛ ደረጃ

21. በተራ ቁጥር 19 ጥያቄ የተጠየቀው መልሶ አይ ከሆነ ብድር የማይሰጥበት ምክንያት ይግለጹ ---

22. ማህበሩ የራሴ ሃብትና ንብረት ነው ብለው ያምናሉ?

1. አዎ 2 አይደለም

23. ለማህበሩ በፈቃደኝነት አገልግሎት ይስጡ ቢባሉ ፍቃደኛ ይሆናሉ?

1. አዎ 2 አይደለም

24. መልሶ አዎ ከሆነ ለማህበሩ ነፃ አገልግሎት ሰጥተው ያውቃሉ?

1. አዎ 2 አይደለም

25. የሽማግሌ ህብረት ስራ ማህበር አባል ሆነው በቆዩበት ማህበሩ የመንግስት ድጋፍ አግኝቶ ያውቃል?

1. በጣም እስማማለሁ 2. እስማማለሁ 3. ገለልተኛ
4. በጣም አልስማማም 5. አልስማማም

26. በተራ ቁጥር 25 የተጠየቀው ጥያቄ መልሶ በጣም እስማማለሁ እና እስማማለሁ የሚል ከሆነ ምን ዓይነት ድጋፍ ከመንግስት አግኝተው ያውቃሉ?

1. የማስቀመጫና የመሸጫ ቦታ ድጋፍ 2. የተሸከርካሪ ድጋፍ
3. የካፒታል ድጋፍ 4. የቢሮ ድጋፍ

27. የሽማግሌ ህብረት ስራ ማህበር በመንግስት በኩል እነዚህ ጥያቄዎች ቢፈቱለት የተሻለ እድገት ያሳይ ነበር ብለው ከሚያምኑባቸው ነገሮች ካሉ በዝርዝር ይጥቀሱ -----

28. የማህበሩ አባል እንደመሆኖ መጠን በመሪ ምርጫ ላይ ተሳትፈው ያውቃሉ?

1. አዎ 2 አይደለም

29. መልሶ አዎ ከሆነ ምርጫው እንዴት ተመለከቱት?

1. ዲሞክራሲያዊ ነው 2. በተወሰነ መልኩ ዲሞክራሲያዊነት የታየበት ነበር
3. ዲሞክራሲያዊ አልነበረም 4. አግላይ ምርጫ ነበር

30. በሽማቸች ህብረት ስራ ማህበር አመራርና አባላት ዘንድ የግንኙነት አግባብ ምን ይመስላል?
 1. ሰላማዊ የሆነ ግንኙነት አለ 2. የጥቅም ግጭት አለ 3. የአሳታፊነት ችግር አለ
 4. ምን እንደሆነ አላውቅም

31. ማህበሩ እያደገ ነው ብለው ያምናሉ?

1. አዎ 2 አይ

32. መልሶ አዎ ከሆነ እድገት ያሳየው በየትኛው የእድገት ዘርፍ ነው?

1. በአባላት ቁጥር 2. በሃብት ክምችት 3. በተለያዩ እንቅስቃሴዎች
 4. በሌሎች ካለ ይጠቀስ-----

33. መልሶ አይ ከሆነ ያላደገበት ምክንያት? 1. የአባላት የመነሳሳት ችግር

2. የመንግስት ድጋፍ ማነስ 3. የአመራር ክህሎት ማነስ

4. የመሰረተ ልማት ችግር 5. የገበያ ችግር 6. የማስቀመጫ ስፍራ እጦት

7. ሌሎች ችግሮች ካሉ በጽሁፍ ይገለጹ-----

34. የአባላት ቁጥር ማነስ በማህበሩ ላይ አሉታዊ ተጽዕኖ ይፈጥራል?

1. በጣም እስማማለሁ 2. እስማማለሁ 3. ገለልተኛ 4. በጣም አልስማማም
 5. አልስማማም

35. ዋና ዋና የማህበሩ ቁልፍ ችግሮች እነማን ናቸው ብለው ያስባሉ፤ በዝርዝር ይጥቀሱ-----

36. ምን አይነት የመፍትሄ እርምጃ ቢወሰድ ችግሩ መቅረፍ ይቻላል ብለው ያምናሉ? -----

37. የማህበሩ አመራር አካላት ማህበሩ ዓላማው ግብ እንዲመታ ለማድረግ የሚያደርጉት እንቅስቃሴ እንዴት ተመለከትኩ?

1. በከፍተኛ ደረጃ 2 በተወሰነ ደረጃ 3. አይ

38. በማህበሩ የሚሳተፉት አባላት አብዛኛዎቻቸው በየትኛው የህብረተሰብ ክፍል ውስጥ የሚመደቡ ናቸው?

1. ዝቅተኛ ገቢ ያለው የህ/ሰብ ክፍል 2. መካከለኛ ገቢ ያለው የህ/ሰብ ክፍል

3. ከፍተኛ ገቢ ያለው የህ/ሰብ ክፍል 4. ከየትኛውም የገቢ ምንጭ ካለው ህ/ሰብ

5. ሌላ ካለ ይጠቀስ-----

39. የሽማግሌ ህብረት ስራ ማህበር የተቋቋመበት ዋና አላማ ምንድነው

- 1. ለአባላቱ አገልግሎት ለመስጠት
- 2. ትርፍ ለማግኘትና ለማሳደግ

3. የማህበሩ አባል ለሆኑና ላልሆኑት አገልግሎት ለመስጠት 4. ሌላ ካለ ይገለጹ-----

40. ያሉበት የሽማግሌ ህብረት ስራ ማህበር ከሌሎች አቅም ካላቸው ህብረት ስራ ማህበራቶች፣ አምራቾች እና ዩኒየኖች ለአባላቱ የሚጠቅሙ የፍጆታ እቃዎች ለማቅረብ ትስስር ፈጥሮ ያውቃል?

- 1. አዎ
- 2. አይ

41. በተራ ቁጥር 40 የተጠየቀው ጥያቄ መልስ አዎ ከሆነ ከየትኛው አምራች፣ ሌሎች ማህበራቶች እና ዩኒየኖች በዝርዝር ይግለጹት?

አምራች: ----- ማህበራቶች: -----

ዩኒየን: -----

42. የማህበሩ አባል ለመሆን ፍቃደኝነት ያስፈልጋል?

- 1. በጣም እስማማለሁ
- 2. እስማማለሁ
- 3. ገለልተኛ
- 4. በጣም አልስማማም
- 5. አልስማማም

43. የማህበሩ አመራር አካላት ማህበሩ የታለመለትን ግብ ላይ የማድረስ አቅም አላቸው?

- 1. በከፍተኛ ደረጃ
- 2. በተወሰነ ደረጃ
- 3. አይ

44. የማህበሩ አመራር አካላት የትምህርትና የእውቀት ደረጃቸው ባደገ ቁጥር ማህበሩ ውጤታማ እንዲሆን የማድረግ አቅማቸው በዛው ልክ ያድጋል?

- 1. አዎ
- 2. አይ

45. በተራ ቁጥር 44 የተጠየቀው ጥያቄ መልሶ አዎ ከሆነ በየትኛው የትምህርት ደረጃ ቢማሩ ይበልጥ ማህበሩ እንዲያድግ ያደርገዋል?

- 1. የመጀመር ደረጃ ትምህርት(ከ1-8ኛ)
- 2. የሁለተኛ ደረጃ ትምህርት(ከ9-12ኛ)
- 3. የኮሌጅ ዲፕሎማና ከዚያ በላይ

46. ያሉበት ማህበር ለአባላቱ ከሌሎች የግል ነጋዴዎች በተሻለ ዋጋ እቃ አቅርቦ ይሸጣል ብለው ያምናሉ?

- 1. አዎ
- 2. አይ

47. በማህበሩ የሚሰጠው አገልግሎቶች አርኪና ሳቢ ናቸው ብለው ያምናሉ ያውቃሉ?

- 1. በጣም ረክቻለሁ
- 2. ረክቻለሁ
- 3. በተወሰነ ደረጃ ረክቻለሁ
- 4. ምንም አልረካሁም

ክፍል ሶስት:- የቡድን ውይይት(የሽማግሌት ህ/ስራ አመራሮች እና ሰራተኞች)

- 1. የሽማግሌት ህብረት ስራ ማህበርዎ ያጋጠሙት ዋና ዋና ተግዳሮቶች/ችግሮች ምንድናቸው?
- 2. ማህበርዎ ቢጠቀማቸው ትልቅ እድል ናቸው ብሎ የሚያምናቸው ጉዳዮች ምንድናቸው?
- 3. የማህበርዎ አባላት ተጠቃሚ ናቸው ብለው ያምናሉ፤ መልሶ አዎ ከሆነ በማህበሩ አባላት ላይ መሻሻል ወይም ለውጥ ታይቷል ብለው የሚያምኑባቸው ጉዳዮች ይጥቀሱ?
- 4. የማህበሩ አባላት ማህበሩ ከመቀላቀላቸው በፊትና በኋላ ያላቸው ለውጥ ይጥቀሱ?
- 5. የማህበርዎ ደካማና ጠንካራ ጎኖች?
- 6. የማህበርዎ ዋና ዋና ተግባራቶች ምንድናቸው?
- 7. ያሉበት ማህበር አገልግሎቶች በጣም በጥሩ ሁኔታ ይሰጣል ብለው ያምናሉ፤ መልሶ አይ ከሆነ ምን አይነት የመፍትሄ እርምጃዎች ቢወሰዱ የተሻለ አገልግሎት መስጠት ይችላል ብለው ያምናሉ?
- 8. ለማህበሩ ከመንግስት ዘንድ ድጋፍ ተደርጎለት ያውቃል፤ አዎ ከሆነ ድጋፉ እንዴት ተመለከቱት፣ የተደረጉ ድጋፎች ምን ምን እንደሆኑ በጽሁፍ ይግለጹ?
- 9. የማህበርዎ የማኔጅመንት ኮሚቴ አካላት የቢዝነስ ክህሎት፣ ቁርጠኝነት፣ ግልፅኝነትና ተጠያቂነት ምን ይመስላል?
- 10. የማኔጅመንት ኮሚቴ አካላት ኃላፊነትና ተግባር ምንድናቸው?
- 11. ማህበርዎ ጠቅላላ አባላት በተገኙበት አመታዊ ጉባዔ ጊዜውን ጠብቆ ያደርጋል?
- 12. ምን አይነት የመፍትሄ እርምጃዎች ቢወሰዱ ማህበርዎ ለተሻለ ውጤትና ግብ ላይ ማድረስ ይቻላል?

ክፍል አራት፡ ቁልፍ መረጃ አቀባዮችን (የህ/ስራ ኃላፊ እና አዲተር)

1. የሽማግሌ ህብረት ስራ ማህበር መቼ ተቋቋመ?
2. የሽማግሌ ህብረት ስራ ማህበር ዋና ዋና አላማዎች እና ተግባራቶች ምንድናቸው?
3. የሽማግሌ ህብረት ስራ ማህበር የውስጥና የውጭ ተግዳሮቶች ምን ምን ናቸው?
4. ችግሮቹ ለማቃለል የምትጠይቋቸው መፍትሄዎች ምን ምን ናቸው?
5. የሽማግሌ ህብረት ስራ ማህበር ለማሳደግ ከመንግስት የሚጠበቀው ኃላፊነትና ድጋፍ ምንድናቸው ብለው ያምናሉ?
6. የሽማግሌ ህብረት ስራ ለማጠናከር መንግስት ምን አይነት ስራ መስራት አለበት ይላሉ?
7. የመንግስት ተቋም የሽማግሌ ህብረት ስራ ተግዳሮቶችና እድሎች እንዲላቸው የግንዛቤ ማስጨበጫ ስልጠናዎች ይሰጣልን?
8. የህብረት ስራ ማህበራት በኢኮኖሚያዊ፣ ህጋዊና ማህበራዊ እድገት ለማምጣት ምን እድሎች አሏቸው?