# CZECH UNIVERSITY OF LIFE SCIENCES PRAGUE Faculty of Tropical AgriSciences



# The perception of smallholder farmers on leadership of agricultural cooperatives in Zimbabwe and its impact on the degree of intensification of participation in the cooperatives

MASTER'S THESIS

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#### Declaration

I hereby declare that I have done this thesis entitled **the perception of smallholder farmers on the leadership of agricultural cooperatives in Zimbabwe and its impact on the degree of intensification of participation in the cooperatives** independently, all texts in this thesis are original, and all the sources have been quoted and acknowledged using complete references and according to the Citation rules of the FTA.

In Prague 24/04/2024

~ .

BSc. Tatendaishe Mandevhana BSc.

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#### Abstract

Agricultural cooperatives are crucial in supporting smallholder farmers' livelihood in their communal areas. It is essential to understand the relationship between cooperative leaders and the members and how it influences the success of the cooperative. The study focused on examining smallholder farmers' perceptions and participation in cooperative leadership and how it influences satisfaction and commitment, a case study of Chipinge district, Zimbabwe.

Data was collected using structured questionnaires for individual interviews, key informant interviews and focus group discussions. The sample size was 137 members, with active and passive members, among tea and dairy farmers from two wards that are most popular in the district. The questionnaires focused on investigating members' participation in leadership decision-making, opinion considerations, trust, leaders' selection criteria, motivation, and leadership styles and how all these affect members' commitment through satisfaction. The tools used were, Nestforms survey tool for questionnaire development, Multifactor Leadership Questionnaire (MLQ) for leadership style analysis, IBM SPSS 29.0 for descriptive statistics and lastly, the Partial Least Square Structural Equation Modelling (PLS-SEM) for analysing how members' satisfaction and commitment.

The results showed that cooperative members have a positive perception towards their leadership. Active members participate more in cooperative leadership, and their opinions are considered more than passive members. Laissez-faire leadership style was the most common style although, features of transformational and transactional leadership were also identified, which shows that it is essential to incorporate all three leadership styles to have sound leadership system, achieve teamwork, accountability, inspire and motivate members, creativity, and self-sufficiency. Cooperative members proved to be more satisfied but less committed to the cooperative. Possible reasons included the heterogeneity of the cooperatives, and the monopsony of the market, However, although members showed traits of being less committed, evidence showed satisfaction, which was proved by the positive effect of trust, participation in leadership, and incorporation of leadership styles.

**Keywords**: satisfaction, commitment, governance, inclusivity, collaborative performance, smallholder farmers.

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# List of the abbreviations used in the thesis.

AFC	Agricultural Finance Corporation
ASC	Agricultural Service Cooperatives
AVE	Average Variance Extracted
CCDWA	Community and Cooperative Development and Women's Affairs
COVID-19	Corona Virus Disease of 2019
DMB	Dairy Marketing Board
GDP	Gross Domestic Product
GMB	Grain Marketing Board
FAO	Food Agriculture Organization
FES	Friedrich-Ebert-Stiftung
IBM SPSS	International Business Machine Statistical Package for the Social Sciences
ICA	International Cooperative Alliance
MLQ	Multifactor Leadership Questionnaire
MWACSME	Ministry of Women Affairs, Community Small and Medium Enterprise
NACSCUZ	National Association of Cooperative Savings and Credit Unions of
Zimbabwe	
NFI	Normed Fit Index
OCCZIM	Organization of Collective Cooperatives in Zimbabwe
PLS-SEM	Partial Least Square- Structural Equation Model
SDG	Sustainable Development Goals
SEM	Structural Equation Modelling
VIF	Variance Inflation Factor
ZimStat	Zimbabwe National Statistics Agency

# **1** Introduction

Agriculture continues to be vital in alleviating poverty and promoting the development of many African countries, including Zimbabwe. According to Herderschee et al. (2016), the agriculture and smallholder farming sectors comprise a major part of Zimbabwe's economy and contribute about 15% to 20% of the Gross Domestic Product. Herderschee et al. (2016), mentions that it also creates employment and complete means of livelihood for about 70% of the population, 30% of which is formal employment which contributes to addressing the Sustainable development Goal (SDG) number 8 of decent work and economic growth (United Nations 2015). Juma & Spielman (2014), also purported that the smallholder farming sector can be employed as a sustainable driver for poverty reduction and food security in Africa. However, Zimbabwe's fluctuating economic conditions and poor access to information, markets, and other resources have limited the potential of smallholder farmers which contributes to addressing the Sustainable development Goal (SDG) number 1 and 2 of no poverty and zero hunger (United Nations 2015). One of the ways farmers can combat most of their challenges is through the use of agricultural cooperatives and this thesis research contributes to addressing issues related to SDGs 1,2 and 8.

Agricultural cooperatives help smallholder farmers work together to improve productivity and profits. The FAO et al. (2012), suggested that cooperatives can further enhance the efforts towards food security by mobilising farmers, encouraging the involvement of women, providing finance, and promoting agricultural marketing. They observed that cooperatives exhibited the powerful idea that when united in purpose, people can achieve goals that otherwise would have remained unachievable individually.

For agricultural cooperatives to succeed, it is important to note how they are managed and governed. It is crucial to evaluate the dynamic between the leaders and the members, as well as whether the cooperatives adhere to the cooperative ideals and whether the members are actively involved in leadership (Park et al. 2019).

According to Okwara & Uhuegbulem (2017), and the International Alliance Annual Report (2005), a cooperative is an autonomous group of individuals who come together voluntarily to address shared social, economic, and cultural goals and aspirations through a jointly owned and fairly controlled organization. Meaning that, a cooperative is an organization that unites people and is owned, managed, and operated by the cooperative's members in order to help them attain their goals and requirements. A number of agricultural value chains have identified the significant significance that agricultural cooperatives play, according to studies. These roles include but are not limited to supporting the production and marketing of farm produce, mobilizing resources for expansion and income generation, coordinating and distributing credit facilities as well as overall support towards increased productivity (Ahmed & Mesfin 2017; Candemir et al. 2021; Chhinh et al. 2023; Ibitoye 2012; Neves et al. 2021). However, the success of these cooperatives is highly dependent on the quality and effectiveness of leadership because leaders are usually the propelling agents, and they are pivotal in driving the endeavours of the cooperative. According to Adefila & Madaki (2014), the effectiveness of farmers' cooperatives towards agricultural development is significantly dependent on the leadership quality present.

Effective leadership can promote member engagement, which in turn leads to improved productivity, increased income generation, greater sustainability and resilience, and overall rural development. Therefore, it is crucial that an empirical study be carried out to assess the impact of leadership on members perceptions and participation in agricultural cooperatives in Zimbabwe.

This thesis is structured as follows: Chapter 1 introduces the background of the study and the importance of the study. Chapter 2 reviews relevant literature detailing essential concepts related to the study. The statement of the problem and the aims of the thesis are detailed in Chapter 3. The methods employed to achieve the aims of this thesis are presented in chapter 4, while chapter 5 shows the results obtained during this study. The findings of this study are discussed in chapter 6, while chapter 7 presents the conclusions drawn from the results of this study.

# 2 Literature Review

#### 2.1. Cooperatives: Definition and Scope

According to the International Cooperative Alliance, ICA (2011) a cooperative is an independent societal group united willingly to achieve common economic, social, and cultural aspirations through a cooperatively preserved and fairly controlled organization. It is an association where many smallholder farmers work together as a business, significantly to help each other produce and sell their crops. Farmers with common interests often organize through agricultural cooperatives to strengthen their market power. In cooperatives, farmers have the liberty to share resources, which helps to reduce transaction costs to increase their revenue and economies of scale, as well as reduce costs or share the risk of the market (Apparao et al. 2019).

Agricultural cooperatives have been seen as a critical approach to poverty reduction in Africa. According to Nyawo & Olorunfemi (2023) and Mhembwe & Dube (2017), Kenya is identified as one of the African countries with the most extended history where cooperatives were adopted and checking the substantial influence it had on the general economy growing up to 80% as reported by the Ministry of Development and Marketing since the country's liberation was attractive for other countries to adopt and develop (Wanyama et al. 2008). The cooperatives in Africa are most commonly built in heterogeneous environments in terms of membership, and the members come from different ethnic backgrounds, rural and urban, or sometimes professional categories (Wanyama et al. 2008). Most agricultural cooperatives are in rural communities with large and small-scale farmers and most non-agricultural members dwelling in the urban areas. Wanyama et al. (2008) mentions that cooperatives have had a positive effect on Africa through the distribution and mobilization of financial capital, the creation of jobs and opportunities for income-generating activities, the establishment of opportunities for training and education, and the creation of solidarity systems that will aid in the resolution of other social and economic issues.

According to Wanyama et al. (2008) cooperative movement in most African countries declined between the 1980s and the 1990s due to two main reasons, which are the movement becoming a top-down tool in which cooperatives were akin to state

enterprises and structural adjustment policies that negatively affected the development of cooperatives. However, many traditional forms of cooperation have managed to outlive colonialism's influence and structural adjustment policies' effects (Navarra et al. 2015). During the moment, the surviving and resilient cooperatives managed to pave the way for the emergence of modern unions and federations, which resulted in the structural reorganisations of the cooperative movement (Navarra et al. 2015). Lately, there has been evidence of renewed interest in cooperatives from civil society organizations, international agencies, and farmers' movements in Africa.

Agricultural cooperatives are one of the significant community operations that contribute to rural development and poverty reduction in the post-independence era in some African countries (Budi et al. 2021). For most sub-Saharan African countries, agricultural cooperatives have a complex history. A colonial power initially introduced the concept of the cooperative enterprise but later became a tool used by the decolonization governments to promote development in rural areas (Navarra et al. 2015).

# 2.2. Governance of Cooperatives

According to, Eckart (2009) the processes and structures put in place and the dynamic interplay between them in response to internal and external factors are termed as governance systems. Specifically, cooperative governance refers to the cooperative's structures, ownership, and control. It also includes the role of the board of directors and their composition (Novković et al. 2023). Cooperatives are different from other organizations and propriety enterprises because they are mainly profit-oriented, whilst not all organizations are necessarily profit-oriented. Cooperatives are two-dimensional as, on one hand they are a voluntary coming together of different persons in a bid to meet common economic, cultural, and social goals, and on the other hand, the goals are met using a jointly owned and democratically controlled enterprise (ICA 2016).

Seven guiding principles form a framework for the governance and management of a cooperative as recommended by the International Cooperative Alliance (ICA) (the international custodian of the distinctive characteristics of cooperative enterprises) and internationally accepted (ICA 2016). These principles enable cooperative to successfully achieve the set goals.

The guiding principles, as according to, (ICA 1995) :

#### 1. Voluntary and open membership

Cooperatives are voluntary organisations, that are welcome to all members anybody who can use their services and is prepared to take on the duties of membership, regardless of their gender, socioeconomic status, race, political affiliation, or religion.

2. Democratic members' control

Cooperatives are democratic businesses run by their members, who actively engage in policymaking and decision-making. Elected representatives, both male and female, answer to the membership. The members also have equal voting rights whereby one member, one vote, applies and in other levels, cooperatives are democratically structured.

3. Member economic participation

Members democratically manage the capital of their cooperative and make equitable contributions to it. Typically, a minimum portion of that capital belongs to the cooperative as common property. Members typically receive little to no reimbursement for capital contributed as a requirement for membership. Surpluses are distributed by members for any or all of the following uses: advancing their cooperative, perhaps by creating reserves, at least a portion of which would be indivisible; providing benefits to members commensurate with their interactions with the cooperative; and funding additional initiatives authorized by the membership.

4. Autonomy and independence

Cooperatives are self-governing, independent groups run by its members. Suppose they raise money from outside sources or sign agreements with other groups, such as governments, in that case, they do so on conditions that guarantee their members' democratic governance and preserve their cooperative autonomy.

5. Education, training, and information

Training and education is offered by the cooperatives in order for members, elected officials, and leaders to actively contribute to the development. They educate the public about the nature and advantages of cooperation, with a focus on youth and opinion leaders

6. Cooperatives among Cooperation

Cooperatives collaborate through local, national, regional, and worldwide organizations to best serve their members and advance the cooperative movement.

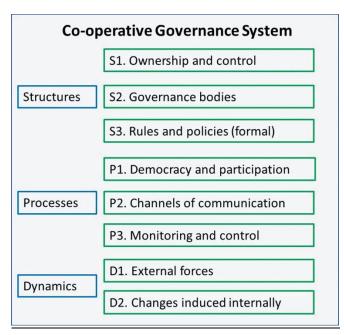
#### 7. Concern for community

Cooperatives use member-approved policies to promote the sustainable development of their local communities.

Despite operating within diverse legislative jurisdictions with varying regulatory requirements influenced by various cultures and serving multiple communities, these principles are expected to serve as guidance to ensure cooperatives globally have the proper framework to achieve their set goals and aspirations. However, they are not set in stone or given as a doctrine that must be adhered to (ICA 2016).

Each farmer has an equal vote in line with the principle of one man, one vote, and every member plays a role in achieving the cooperative's main objectives. As an association of people formally engaged in a private organization with a beneficial economic agenda, each member is responsible for preserving the cooperative selfgoverning identity (Feyisa 2020). Every member of the cooperative has the liberty to express their ideas and opinions, which should be considered by the cooperative's leadership. This convinces members to commit more to the cooperative, creating a sense of belonging amongst themselves.

According to Novković et al. (2023), the factors that form a cooperative's formal governance include the type of ownership and control, the nature of the governance bodies, and the established rules and policies that govern the cooperative.



#### Figure 1: Cooperative governance system.

Source: Novković et al. (2023)

The cooperative members are all collective owners of the cooperative, and this joint ownership is problematic, especially from the economics literature point of view, because the ownership/property rights are often misinterpreted as vague. Dow (2003) and Novković et al. (2023) also believed that the collective ownership of a cooperative led to under-investment and promoted governance issues because the investment duration is usually longer than the tenure of membership, and decisions are carried out collectively and not based on the value of capital owned. Seeing that membership of a cooperative gives access to services, products and other membership-related benefits but no direct access to returns on investment, member are likely to relate with the enterprise of the cooperative simply as users (Novković et al. 2023). Separating ownership and control is a herculean task in most cases either because the members are also workers or because the members have direct access to management; this is not usually the case in an investor-owned business (Eckart 2009).

Governance bodies are the board of directors, and the members of the cooperative usually elect them. Eckart (2009) believed that "cooperatively integrated boards" (i.e. a board that comprises persons with cooperative professional knowledge and representatives of the members would be more effective. Novković et al. (2023) also subscribed to this opinion. Sometimes, a dual or multiple board structure is chosen by a cooperative to either ensure accountability and free information flow McMahon et al. (2021) or to align with a regulatory requirement (Huhtala & Jussila 2019). Sometimes, in very small cooperatives, all the members assume governance roles and are all members of the board members. Annual general meetings are the usual forums for decisions to be made through committees, and councils are sometimes additional forums for decisionmaking; this is however common in small cooperatives (Novković et al. 2023). In some cases, unions and panels are also present as part of the governance structure, such as in the cases of workers' cooperatives in Suma (McMahon et al. 2021; Lund & Liret 2022).

The values and purpose of a cooperative and its enterprise determine the choice of rules by the cooperative members (Novković et al. 2023). Values such as human dignity, fairness, social justice, equity of power and reduction of personal risks to members are common determinants of the rules and policies of most cooperatives (Novković et al. 2023). Rules and policies are usually constituted by the governance structure in place, and these determine the way a cooperative functions of the cooperative must be carried along during the constitution of the rules and policies by the governance of the cooperative so they can agree to abide by the rules and regulations within the context of legal requirements and legal requirements defer from country to country and may even differ by specificity for each type of cooperative (Novković et al. 2023). The older a cooperative gets and becomes more established, the higher the impact of factors (internal and external) on the modifications of the rules (Novković et al., 2023).

The decision-making process of cooperatives is often slow and tasking because it is a democratic collective decision, and for maximum participation of members to occur, negotiations must be ongoing till an agreement occurs (Eckart 2009). The major benefit of the democratic process of decision-making by cooperative is the fact that most members would have bought-in to the idea by the time a final decision is made, and this helps reduce the time required for implementation (Eckart 2009; Kay & Silberston 1995; Spear 2004). The downside of this process however is the high decision-making costs (such as waste of time and conflict); to reduce these costs, several cooperatives have modified their democratic process such as the introduction of representative democracy (i.e. the use of delegate systems/trustees), implemented improved decision- making rules (such as majority decision stands, voting by proxy, consensus, decision by consent, etc) (Novković et al. 2023). Worker's cooperatives have begun to adopt the sociocratic process of effective decision-making where decisions are made in flat, interconnected circles as reported by (McMahon et al. 2021; McNamara 2023). The linking of circles helps to ensure flow of information amongst the different layers of the organization thus speeding up the decision-making process (Buck et al. 2007; Rau et al. 2018).

Monitoring and control is important to ensure accountability and the processes involved will be dependent on the cooperative size and type, the degree of participation of the members and employees of the enterprise amongst other factors (Novković et al. 2023). A critical form of external forces are unpredictable crises and shocks such as the COVID-19 pandemic which tested the governance systems of many cooperatives and cooperatives that refused to be fluid and agile about their operations suffered greatly while those that avoided being rigid were able to adapt to the causes caused by the pandemic (Novković et al. 2023). Also, environmental factors such as changing market conditions, increasing competitions amongst other factors may cause the governance structures and process to change over time. Different pressures and competitions the come along with the changing lifecycle of a cooperative can also impact the governance structures and processes (Eckart 2009).

Cooperatives are made up of different people and human interaction and communications create constantly changing dynamics that causes a shift in governance processes and structures of the cooperative (Novković et al. 2023). These changes in structure are more acceptable in cooperatives that have processes that are democratic and participatory; however, in cooperatives that have a hierarchical decision-making structure, changes are imposed on members in a top-down process, and this most often meets with more restrictions (Novković et al. 2023). Systems such as holacracy and sociocracy enable the commencement of operational changes in a quick democratic process and this allows changes in governance structures and systems to be instigated from the bottom up in cooperative (Robertson 2015; Rau et al. 2018). Sometimes, a governance system review process is regularly scheduled, and members utilize this opportunity to express their concerns (Eckart 2009; Kay & Silberston 1995; Spear 2004).

#### 2.3. Impact of Cooperatives

According to Chiyoge & Sifa (2011), agricultural cooperatives help production farmers increase yields and incomes by pooling resources that can support collective service provisions and economic empowerment. The impact of cooperatives on smallholder farmers includes providing access to natural resources like land and water, information knowledge, and extension services through agricultural extension officers, markets, and decision-making and technology (Chiyoge & Sifa 2011).

Agricultural cooperatives are vital for enhancing agricultural productivity because they enable their members to have a platform for knowledge sharing, gain access to more resources, and enjoy positive economies of scale. Often, members benefit from collective investment in improved technologies and sustainable farming practices (Mhembwe & Dube, 2017; Candemir et al. 2021).

Positively, cooperatives can finance and operate smallholder farmers' businesses for their mutual benefit, meaning that they are created on the leading idea that by working together, a group of people can achieve specific objectives and targets that would be unattainable if working as individuals selling straight to the factories hence the importance of teamwork (Candemir et al. 2021). Cooperatives were established to solve the market failure problem, particularly for small-scale farmers. They help grant farmers access to markets and build their bargaining power. By combining resources and improving market access, members can negotiate better prices for their commodities, thus promoting economic growth of the individual, the community, and the nation (Mcpeak & Doss 2006). In most regions, small-holder farmers are overridden by the large-scale farmers as they quickly jump and get the big contracts on the market, leaving the smallholder farmers with only a tiny local market making small sales and suffering from oversupply and subsequently contributing to food loss after the excess produces decay and goes to waste. Due to this fact, international institutions, governments, and nongovernmental organisations are supporting agricultural cooperatives and cooperative unions' developments as a juncture for empowering helpless male and female smallholder farmers to shield sustainable livelihoods (Feyisa 2020).

Another significant effect that cooperatives have is their role in alleviating poverty among smallholder farmers. It is achieved by the role they take part in improving agricultural income. Members' participation in the cooperatives has been a contributing factor to reducing poverty among members (Ahmed & Mesfin 2017).

Due to high risks, asymmetric knowledge, poor contract enforcement, and expensive transaction costs, the market in developing nations is characterized by high prevalent failure rate. In such an environment, individual smallholder farmers are hardly recognised and merely participate in the market, thus pushing for collective action by cooperatives (Bezabih, 2021). Agricultural cooperatives also help improve and build the resilience of farmers and their communities to global challenges such as climate change, food insecurity, and economic fluctuations and recessions. The collective actions of cooperatives enable their members to adopt and implement improved climate-smart technologies and practices, thus helping them build the capacity to adapt to changing times (Doss 2006; Ahmed & Mesfin 2017; Candemir et al. 2021).

#### 2.4. Performance of Cooperatives

According to Ishak et al. (2020), performance is a complex and subjective concept that remains unclear to scholars. Still, the common motive is the ability of organizations to

achieve their set targets and collective goals. The performance of members in the cooperative can be explained by focusing on two major dimensions: efficiency, which is doing things right, and effectiveness being doing the right things. Cooperatives adopt the concept of operational performance to improve their efficiency and effectiveness. Operational performance refers to achieving operational goals within different value chain activities that may lead to more productivity in the cooperative.

An exploration of existing cooperative performance literature revealed that the central concepts used in assessing the performance of a cooperative are the concept of economic efficiency (Ben-Ner & Ellman 2013; Brandano et al. 2019; Ferrier & Porter 1991; Pokharel et al. 2019; Porter & Scully 1987; Shamsuddin et al. 2018; Xaba et al. 2018; Yu & Huang 2020; Zamani et al. 2019) and the concept of financial ratios (Hardesty & Salgia 2004; Mckee 2007; Rusnindita & Utami 2019; Safiyuddin et al. 2021; Shamsuddin et al. 2018; Shamsuddin et al. 2018; Mathematical Scully 1987; Shamsuddin et al. 2019; Safiyuddin et al. 2021; Shamsuddin et al. 2018; Shamsud

Some of the indicators that have been measured when using the concept of economic efficiency include members' or workers' participation Ben-Ner & Ellman (2013), networking, Beber et al. (2018); Desrochers & Fischer (2005); Herbel et al. (2015) social and organisational capital, input and output levels/prices Pokharel et al. (2019); Zamani et al. (2019), revenue efficiency amongst others while some of the indicators that have been measured when, amongst others ratios include profitability ratio and solvency ratio.

#### 2.4.1. Satisfaction

Members' cooperative performance is an indefinite notion as there exists several limitations and parameters (Soboh et al. 2009). Members' satisfaction can be recognised as another indicator which helps to explain cooperative performance (Franken & Cook 2015). It can be explained as the artefact of a positive influence for cooperatives on utilities of members, either it is demonstrated by increased price, access to inputs, product quality or other substantial variables (Grashuis & Cook 2019). According to Grashuis & Cook (2019) and Arcas-Larioa et al. (2015), evidence of members' satisfaction within the cooperative indicates their intention to continue with their cooperative. One of the reasons stated by Arcas-Larioa et al. (2015) why members join cooperatives is to achieve economic goals satisfaction. On the other hand, Hansen et al. (2002) mentions that other

members motive is socially related and this involves their desire to network and interact with other members developing individual relationships.

Members' satisfaction with the cooperative is also argued by Nilsson et al. (2009) and Arcas-Larioa et al. (2015) to be connected to organization and also how satisfied are the members with the delivery of information and the treatment they receive from the cooperative. In addition to serving as a near stand stand-in for ideas like perceived efficacy, members' satisfaction also serves as a predictor of future behaviour. Relevant previous literature agrees on the beneficial effects of relationship satisfaction as well as the desire of its active members to stay in the relationship or end it, and this desire to carry on is regarded as one aspect of members' commitment and it is the outcome of the parties interaction process (Arcas-Larioa et al. 2015; Kumar et al. 1995; Kim & Frazier 1997; Barraud-Didier et al. 2012).

## 2.5. Motivation, Commitment of Members

#### 2.5.1. Commitment and Heterogeneity

#### 2.5.1.1. What is Commitment?

According to the Cambridge Dictionary (2024), commitment is the state or quality of being dedicated or devoted to a cause, an activity, or a person. It involves a pledge or obligation to do something or support someone or a cause. Commitment consists of a force that binds an individual course of action of relevance to one or more. Commitment or willingness refers to joint values, goals, and actions in a relationship leading to the intention of relationship continuation and deployment of resources. An organisational commitment, which is a commitment to an organization, is defined as "the relative strength of an individual's identification with and involvement in that organisation." (Mowday et al. 1979). Moreover, Greenberg & Baron (2008) Further defined organisational commitment as the extent an individual identifies with is involved with his organisation and is reluctant to leave the organisation's loyalty. According to Awoke (2021), there are several aspects of commitment that have been examined in organizational research. These aspects include an emotional bond with the organization, the perceived cost of quitting the organization, and a legally binding obligation to remain. According to, Allen & Meyer (1990) in their analysis, they have labelled these dimensions as affective commitment, continuance commitment, and normative commitment respectively.

According to them, affective commitment is emotional, it is a situation where members have their hearts fully devoted to the development of the cooperative. These members are fully involved and enjoy membership in the organization. In any agricultural cooperative, this component captures how strongly the farmers want to be cooperative members (Apparao et al. 2019). Whereas continuance commitment is calculative as it considers the costs of leaving the organization and the possible benefits of persistent participation. It is associated with the tendency to engage in consistent lines of activity based on individual recognition of the cost. This means that anything that increases the cost associated with leaving an organization has the potential to create continuance commitment. Continuance commitment measures how strongly a smallholder farmer needs to be a cooperative member (Apparao et al. 2019). To add on, Allen & Meyer (1990) further explained that normative commitment is based on organisational social obligations. It focuses on the totality of internalized pressures to act in ways that meet the cooperative's goals and interests and suggests that individuals exhibit behaviours solely because they believe it is the right thing to do (Apparao et al. 2019). It is based on a belief about one's responsibility to the cooperative. The smallholder farmers in this group strongly believe that being a member of the cooperative is the right thing to do.

The factors that determine each dimension of commitment are different as affective commitment is usually based on the impulse to remain with the organization because of some personal characteristics, personal experience with the organization, and some form of shared values. In contrast, continuance commitment is usually based on opportunity costs, available alternatives and prior investments made in the organization. The factors that affect normative commitment include socialization and institutionalization.

Mensah et al. (2012) highlight that increased support of farmers to participate in the marketing through the help of cooperatives puts a premium on understanding farmers, and commitment to cooperatives. Also, Gutema & Okharedia (2014) explain that leadership skills in marketing, networking, and mobilization of members create an enabling environment for cooperatives' ability to implement their main activities. In order to be taken into account for the cooperative's performance and commitment, three criteria of commitment are assessed for farmers. Enrolling in the cooperative is the first commitment; without sufficient members, the cooperative cannot function at a large enough scale to take advantage of economies of scale and reduce the potential market power of its trading partners (Mensah et al. 2012).

Second, the degree of commitment determines whether members choose to make deeper commitments based on how much business they agree to engage with the cooperative. In order to grow input production and market share, agricultural cooperatives need their members to advance professionally in the commercial world and network only through the cooperative channel.

Thirdly, members of the cooperative should be dedicated to showing up to meetings. Participation of the member in the democratic process through attending meetings, casting ballots at meetings, and rising to the position of elected representative (Mensah et al. 2012) Cooperative leadership that practices democratic governance is crucial because it increases member loyalty and engagement.

Members' commitment to the cooperative may be classified into four types which are, meaning just membership by registration, the second being *passive* which relates to attending the meetings, the third one is *active* which entails speaking and contributing to the meetings and the last is *pro-active* which refers to the members with a strong voice in the group discussions as part of the members in the board (Hejkrlik et al. 2021; Mwambi et al. 2020).

#### **2.5.1.2.** Determinants of Members' Commitment

For an agricultural cooperative to be successful and strong as an organization existence of commitment, dedication, determination, and willingness should be present among members belonging to the group. Agricultural cooperatives are by nature dependent on the active commitment and engagement of their members. It is important to note that members' commitment is a multidimensional structure that is made up of not just loyalty but also a deep sense of ownership, inclusiveness, participation, and shared values (Hansen et al. 2002; Österberg & Nilsson 2009; Cechin et al. 2013a; Hansen et al. 2002; Bunders & Akkerman 2022). According to Bezabih (2021), findings assumed that education level, the past role taken as a committee member, trust among members, commitments, and directors' leadership have a positive significant influence on members'

willingness and commitment to contribute equity capital to the cooperative. Whereas age and perception of the cooperatives' weaknesses negatively and significantly the members' commitment. Through commitment, farmers are expected to be willing to supply raw materials, capital, managerial inputs, and labour for the success of the cooperative (Apparao et al. 2019; Feyisa 2020).

According to Bezabih (2021) the findings assume that education level, past role as a committee member, trust among committee members, commitments, and directors' leadership have positively and significantly influenced members' willingness and commitment to contribute equity capital to the cooperative.

Members' levels of commitment are also affected by various personal characteristics. Me-Nsope & Larkins (2016) discovered that a member's level of commitment decreases as his or her level of formal education increases. However, the study of Cechin et al. (2013a) revealed that members with higher education are more committed to a customer-oriented strategy when embarked on by the cooperative. Fulton & Adamowicz (1993) suggested that commitment may also be influenced by age as older members are usually more loyal to their cooperatives because they take pride in owning their cooperative while Sofoluwe et al. (2020) in a more recent study revealed that age has no impact on members commitment to agricultural cooperatives. Some other researchers reported that farmers who are approaching retirement age have lower commitment than younger members (Getnet & Anullo 2012).

On the other hand, some researchers such as Gray & Kraenzle (1998) believe that members' farm size may significantly impact their commitment level. Farmers with large farms are more likely to become involved in the cooperative because they have the resources to do so. However, on the other hand, large farms have more options to sell outside of the cooperative and thus may be less loyal in delivering to the cooperative (Wollni & Fischer 2015).

#### **2.5.1.3.** Economic Determinant for Commitment

Many farmers join cooperatives to benefit from the economic well-being cooperatives are expected to provide, so it is therefore no surprise that economic factors can be determinants for commitment. One major economic determinant is price, as farmers' income is majorly dependent on the price of their products (Fulton 1999; Mensah et al. 2012). Also, the number of dividends received from investments in the cooperative

can determine the extent of members' commitment (Fulton & Adamowicz 1993). When a cooperative exhibits good operational and financial performance, the members are often more satisfied, prompting them to be more committed (Trechter et al. 2002; Österberg & Nilsson 2009). Providing services such as renting farm equipment, transporting farm goods and produce, and providing storage facilities may also motivate members to stay committed to the cooperative (Awoke 2021).

#### 2.5.2. Organizational Determinants and Heterogeneity of Members

The participation of members in decision-making is one of the hallmarks of cooperatives and one factor that may negatively affect this is when the members are heterogeneous (Awoke 2021). The heterogeneity of members in the group has an impact to influence the leadership system in the cooperative. Some of the heterogeneous factors include the difference in production volume, variance in education level, location of farmers, variance in age, quantity of inputs, farm objectives, and geographical dispersion of membership (Apparao et al. 2019). Decision-making might take longer than expected due to the effect of heterogeneity.

One of the efficiency benefits of cooperatives is the low cost of decision-making due to membership homogeneity (Hansmann 1996). More so, Hansmann (1996) alludes that decision-making can be smooth and quick if all members share the same interest in what the cooperative does. When the membership is heterogeneous, different members (or member groups) will try to influence decisions based on their private interests, increasing the cost of decision-making and resulting in influence costs. Members may become less committed if the cooperative makes decisions not in their best interests (Fulton & Giannakas 2001). Another factor that can influence the commitment of members to their cooperative is the extent of their participation in the decisions being made by the cooperative. The study by Österberg & Nilsson (2009) revealed that members ought to remain committed to the cooperative when perceive their participation being significant in the decision-making process of the cooperative.

## 2.5.3. Trust and Social Capital Theory

In principle, trust is one of the key elements determining cooperative commitment, and sociological considerations also have an impact on the decision to collaborate. It has often been observed that cooperative members' behaviour is influenced by trust. According to Österberg & Nilsson (2009), members are more likely to be committed to the cooperative's objectives when they have trust in the management and leadership of the cooperative. According to Hansen & Morrow (2003) when members trust the board of directors and management or leadership in general, they are more likely to be satisfied and committed to the organization's goals. Members who are dissatisfied with how the cooperative is managed are more likely to engage in disloyal behaviours.

A theoretical argument that supports the motivation is the *social capital theory* which dwells on trust among members and directors, the likelihood of members' willingness to contribute equity capital, and efforts to the cooperative. The theory is of the view that social relationships are resources that can lead to the development and accumulation of human capital. According to Putnam (2001) social capital refers to the connections or relations among individuals' social networks, civil engagement, norms of reciprocity, and trustworthiness that arise from them. In other words, the social capital theory is described as a collective asset in the form of shared norms, values, beliefs, trust, networks, social relations, and institutions that facilitate cooperation and collective action for mutual benefit. Putnam (2001)'s study stands on the fact that social capital is a crucial component to building and maintaining democracy, and in a cooperative where there is democracy all the members are committed and willing to participate (Bezabih 2021)

According to Putnam (2001), social capital can be considered as the amount of trust available in a society or group and it can be used in characterizing the political culture in modern societies. Deng et al. (2021) also believed that trust is a vital element that helps to bring cooperate members closer and increase their willingness to participate in the cooperative. Trust is expounded as the ability of people to work together for common purposes in groups and organizations (Bhandari & Yasunobu 2009). Social capital can be viewed from a perspective of informal values or norms shared among members of a group which accommodate cooperation among the members and interpersonal trust is crucial in building social relationships. The number of cooperatives or civic associations and the intensification of their participation in those associations reflects the depth of social capital in a society. In that sense social capital is closely related to civic engagement, participation in voluntary organizations, and social connections, which fosters sturdy norms of mutuality and trust (Bhandari & Yasunobu 2009).

Networks of community meetings enable cooperation, communication, and coordination and brace reputations thus, allowing problems of collective actions to be solved. Social capital influences the productivity of actors, and it keeps the characteristics of the public good. Stocks of social capital like norms, trust, and networks mount up in use and weaken if they are not used (Bhandari & Yasunobu 2009).

In social capital theory, trust is a vital element that helps to bring cooperate members closer and increase their willingness to participate in the cooperative (Deng et al. 2021). According to Bhandari & Yasunobu (2009) the ability of individuals to cooperate toward shared goals in groups and organizations is considered as trust. Interpersonal trust is essential to establishing social relationships. Social capital can be understood from the perspective of unwritten rules or values that group members share and which allow collaboration among the members. Mutual trust is important in improving cooperation among individuals and it reduces transaction costs whilst increasing business transactions. Where there are quality social relationships that involve shared norms, understanding, reciprocity, and trust, people can associate with others willingly. According to Bhandari & Yasunobu (2009) and Putnam (2001) one key indicator that can be used in measuring social capital is the proportion of people who think that 'most people can be trusted'. This concludes that where there is trust, shared norms, and values in the cooperative, the commitment and participation of members increases which is one of the critical factors to be considered in the existence of a cooperative.

## 2.6. Challenges of Cooperatives

Agricultural cooperatives face various challenges, some of which include poor management, inadequate training or governing skills, lack of capital, poor participation and contribution from members, and lack of effective communication (Fulton & Adamowicz 1993; Österberg & Nilsson 2009; Cechin et al. 2013a)

According to Baka & Kenyatta (2013), the three major groups of challenges faced by cooperatives are financial management, leadership, and political interference. They stated that the quality and togetherness of a cooperative were greatly dependent on the quality of leadership so therefore, the damage caused by bad leadership could be alarming. Corruption, mismanagement of funds, and theft of cooperative resources are a few of the financial management challenges faced by cooperatives according to them. They believed that the direct or indirect involvement of the government in the management of cooperatives compromised the principles.

Another major challenge of cooperatives is the *principal-agent problem*. The principal-agent problem has been defined as a conflict in interests/priorities between the owner(s) of an asset (known as the principal) and the person(s) who have been appointed to oversee and manage the asset (known as the agent) (Meckling Jensen 1976).

According to the ,Investopedia (2023) one of the factors that cause the principalagent problem is the agency costs (this is the risk of the possibility of an agent acting irresponsibly, making a poor choice, or any other behaviour that is detrimental to the principal's interest. Costs that arise from resolving issues triggered by the agent's action are also termed agency costs. When an incentive is given to encourage the agent to act in a certain way, the financial burden of that incentive is also termed agency cost (Nilsson 2001).

Several researchers have argued that principal-agent problems are more prevalent in cooperatives than in proprietary organizations (Dharwadkar et al. 2000; Galang et al. 2020; Porter & Scully 1987; Young et al. 2008). The fact that propriety organizations are profit-oriented, they are subjected to constant scrutiny and performance evaluation, on the other hand, cooperatives are not necessarily profit-oriented, instead they are more focused on service provision, information distribution, and other variables that are nonquantifiable so there is less incentive to critically monitor the activities/actions of their managers (Richards et al. 1998; Galang et al. 2020).

#### 2.7. Cycles of Cooperative Development

Agricultural cooperatives face various challenges, some of which include poor management, inadequate training or governing skills, lack of capital, poor participation and contribution from members, and lack of effective communication (Fulton & Adamowicz ; Österberg & Nilsson 2009; Cechin et al. 2013a).

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For cooperatives to enjoy longevity, several factors must come into play, and major among them are their adaptation skills and the ability to minimize friction and division amongst themselves in the same group (Ortmann & King 2007; Amiquero et al. 2023). According to Cook (2018) and Cook & Burress (2009), the ability to continuously adapt makes a cooperative experience multiple "life cycles" and Cook (1995) proposed that a cooperative life cycle undergoes five phases, namely: economic justification phase, organizational design phase, growth-glory-heterogeneity phase, the recognition and introspection phase, and the choice phase.

Cook (2018), explained the phases as like, the economic justification phase deals with the reasoning and basis for deciding to embark on the costly process of embarking on a collaborative action to ease the socio-economic effect of the market costs.

The organizational design phase is about determining and constructing the legalbusiness-organizational model that suits the needs of the group. It is also the phase where the laws, rules, responsibilities, benefits, adjudication process, penalties, and performance measures are determined.

The growth-glory-heterogeneity phase is the stage where the leaders of the cooperative must assess the rate of growth or non-growth of the cooperative, the glory and success the cooperative achieved, and the possible disruptions and disagreement that occur over time because of the heterogeneity of the choices/preferences of the members.

During the recognition and introspection phase, an introspective analysis of the guiding policies and practices is carried out to identify the disturbances or disruptions that cause friction/factions within the cooperative. Solutions to these disturbances are also proposed at this phase. Some of the generic solutions that could be provided include ensuring that policies governing the cooperative balance supply and demand, realigning the incentives of the users, ensuring that there is transparency within the cooperative, and ensuring that the investments embarked upon are investments that will promote the retention of members. The last phase is the stage where the future of the cooperative is decided.

## 2.8. Leadership

According to the Prentice (2004) leadership is defined as "accomplishing a goal through the direction of human assistants". They also defined a good leader as one who understands people's motivation and knows how to enlist the participation of employees or others in a way that satisfies their individual needs and fulfils the interests of the group. Several studies have revealed that some of the challenges cooperatives face include but are not limited to bad leadership dishonest leaders, and poor management practices by leaders amongst others (Amiquero et al. 2023).

The capacity of all members to be able to participate in the leadership role and decision-making within a cooperative is a point of keen interest in this research. The team leaders perform an important role in establishing collective standards also assisting teams to cope with the external environment and coordinating activities (Hejkrlik et al. 2021; Obiwuru. et al. 2012). Leadership as described by Harris (1983) is taking responsibility and performing or guiding the action necessary to plan for and achieve desired results. A successful leader can develop the bridge that takes their teams to their shared vision in the long run. This can also be interpreted as leadership being able to bring social justice as a supportive paradigm in achieving collective goods for the cooperative members (Prasetyo 2016).

The term leadership is often wrongly used interchangeably with the term management, however, both terms are distinct and function differently. According to Liphadzi et al. (2017), leadership can be defined as social influence and the role of a leader includes outlining/charting the course of a purpose or goal while management deals with accomplishing organizational goals. Liphadzi et al. (2017) expressed that leaders are responsible for setting direction. According to Bennis & Nanus 2007) leadership can be defined as social influence and the role of a leader includes outlining/charting the course of a purpose or goal while management deals with accomplishing organizational goals. Liphadzi et al. (2017) expressed that leaders are responsible for setting direction. According to Bennis & Nanus 2007) leadership can be defined as social influence and the role of a leader includes outlining/charting the course of a purpose or goal while management deals with accomplishing organizational goals. (Liphadzi et al. 2017) expressed that leaders are responsible for setting direction. In his words: "Leaders set a direction for the rest of us; they help us see what lies ahead; they help us visualize what we might achieve; they encourage and inspire us. Without leadership, a group of humans quickly degenerate into arguments and conflict because we see things in different ways and lean towards different solutions". According to him, leadership is the tool that helps harness our efforts jointly. Management on the other hand

is planning, executing, and managing resources (both human and otherwise) within the scope of a project or goal (Liphadzi et al. 2017). According to Zaleznik (2004) managers from leaders by noting that the goals of leaders are birthed by necessities while those of leaders are birthed from a place of proactiveness. He stated that the concept behind his conclusion is the fact that leaders are energetic about inspiring people to be creative about problem-solving while managers are more interested in ensuring the day-to-day goals of the organization get achieved; when necessary, managers may instruct people what to do if it helps with achieving the goals.

Another difference between leaders and managers is their disposition to risks. Different researchers have argued that while managers avoid risks at all costs, leaders actively seek out risks and take them (Terry 1995; Toor & Ofori 2008; Algahtani 2014; Jibreal 2021). They believed that the creativity of a leader can sometimes be inhibited by the pattern of order driven by managers. According to Kotter (2006) managers have the mind, persistence, and rationale sound mind while leaders have the soul, the creativity, and the passion to drive both. In his 1990 publication, he strongly argued that while management aimed to establish and promote order and security, leadership on the other hand aimed to promote change and fluidity (Kotter 1990).

It is important to understand the leadership styles that can be adopted by agricultural cooperatives to improve their performance. Leadership style is a method used by leaders to provide direction and execution of plans to motivate people to cooperate toward a common goal. According to Bond (2015), an effective leader must be able to influence the group members in a desired manner to achieve the desired goal. Different types of leadership styles are set in place as measures used to control the cooperatives. These are *transformational, transactional, laissez-faire leadership styles* (Nguyen & Nguyen 2022).

#### 2.8.1. Transformational Leadership

According to Harb & Sidani (2019), a leader can be expressed as someone capable of setting specific goals and developing a good work environment that promotes acceptance of change and can influence acceptance, implementation as well as adoption of new ideas. Kotamena et al. (2020) express transformational leadership as a partnership that is created based on confidence level, appreciation, and respect between the leaders and followers. In the transformational leadership style, the leaders promote teamwork, cooperation, communal respect, and reference to achieve individual and cooperative goals (Kotamena et al. 2020).

According to, Kotamena et al. (2020) transformational leadership style is where the leaders fully convince their group members to enhance their perception, motivation levels, and association with the organizational objectives. This type of leadership is used by leaders who can motivate, inspire, and have a shared vision with group members. By adopting this style, the leaders actively modify their attitudes, awareness, and behaviours, setting a positive example for group members and inspiring them to alter their actions, attitudes, and even value orientations (Nguyen and Nguyen 2022; Bass 1985). According to Biaka (2020) it is an engaging and inspiring relationship between the leaders and the group members that allows members to assess the current beliefs or practices and motivate them to think across new directions thus the members would give full allegiance to the leaders to guide them on a new path without arguments. According to Bass & Avolio (1994) and Bass (1990), transformational leadership is manifested in five ways which are idealized behaviour, inspirational motivation, idealized attributes, individual consideration, and intellectual stimulation. Leaders become role models for their subordinates, constantly prioritizing the interests of the group, influence is idealized, leadership vision is shared, and employees willingly follow shared goal (Bass & Avolio 1993).

Legood et al. (2021) identified four key elements of effective leadership: idealized influence, followers' trust and identification with their leaders, and inspirational motivation where leaders give their group members' work purpose and challenge. According to Legood et al. (2021), it entails a process wherein followers and leaders collaborate closely in morals and want to further group profits beyond individual objectives. This style allows the leaders to show confidence and respect to their subordinates and can influence the members' behaviour channelling it to the success of the cooperative (Biaka 2020). Transformational leaders also create a vision of what they aspire to be and communicate this idea to other group members. The group members' participation and perception are of great value since they will determine their buy-in to the ideas from the leadership. This leadership style is one of the critical and recommended styles to use in cooperatives since it is quite engaging in leadership.

#### 2.8.2. Transactional Leadership

In this leadership style, the members are recognized or compensated for adhering to the instructions of the leaders (Bass 1999). The leader engages in a contractual agreement with the members which will serve as the basis for transactional leadership and the parties move in agreement to fulfilment of their conditions for the relationship to go no. Members are rewarded by the leaders upon tasks completion and the leaders compensate members as they follow their instructions. The influence of transactional leadership is said to be significantly enhanced by transformational leadership, however transactional leadership is still deemed to be considerable and satisfactorily successful based on the dynamics between the leaders and the members (Bass 1999). The components of contingent rewards and management by exception which are further subdivided into active and passive can be used to quantify transactional leadership (Bass 1999). By understanding their needs and defining members' responsibilities, the leaders utilize this approach to assist their members.

Transactional leadership aims to create mutual support for the members and leaders to benefit from completing tasks and succeeding in personal fulfilment (Xie et al. 2018). The leaders also acknowledge members' requests and provide rewards for the members which also motivates the members to execute their duties (Bass & Avolio 1993).

#### 2.8.3. Laissez-faire Leadership

This is a leadership style that if adopted can manage to provide more formative and productive structures within the cooperatives and manage to enhance the performance and commitment of members. Bhatti et al. (2012) describes the leadership style as involving a non-interference policy, allowing full freedom to all group members to have a way of attaining goals. The members are fully granted all rights and decision-making authority under a laissez-faire leadership style (Bond 2015). In order to enable group members to voice their ideas prior to challenging tasks or challenges, laissez-faire leaders permit their followers to have total autonomy in making judgments regarding the completion of their work while promoting personal growth (Nguyen & Nguyen 2022). Members are able to engage in decision-making because of the enabling environment that the leaders establish. In this type of leadership, the group's members can provide their ideas while the leader presents the issue to them and encourages an active discussion (Bhatti et al. 2012). It permits followers to exercise self-governance while simultaneously providing direction and assistance upon request. With guided freedom, the laissez-faire leader gives the followers all the tools they need to reach their objectives, but they don't actively engage in the higher cognitive process unless the followers ask for it. When followers possess a high degree of expertise, experience, and education, this can be an effective approach to employ; nevertheless, training and full member inclusion within the cooperative are required (Nguyen & Nguyen 2022).

Smallholder farmers in the cooperative should take pride in their activities and be motivated to attempt and complete it successfully on their own. In laissez-faire leadership, group members should be experts, in situations where followers have more knowledge than the group leaders and may be trustworthy and experienced. However, this style depends more on the ability of the group members, if they lack knowledge and skills then it will affect their performance and so the results. This style might not be best if high performance is the main goal (Bond 2015).

#### 2.9. Background: History of Cooperatives in Zimbabwe

The country of Zimbabwe comprises a total land area of over 39 million hectares and has 33.3 million hectares used for agriculture, which is one of the significant economic activities, as according to the (Analytics 2024). Agriculture is the primary economic activity in the country, as the majority of people in rural areas rely on this sector and other associated economic activities for their livelihood. According to the FAO (2020) report, 60% to 70% of the nation's workforce receives employment and income from agriculture. It provides 40% of all export revenue and 60% of the raw materials needed by the manufacturing sector. Furthermore, the paper notes that agriculture accounts for about 17% of Zimbabwe's GDP (FAO 2020).

The cooperative movement in Zimbabwe dates to 1909 when the Cooperative Agricultural Act was initially decreed with the core purpose of facilitating the formation of marketing and supply cooperatives by commercial farmers. The government supported cooperatives in encouraging economic and social development by creating employment, generating income, and eradicating poverty (Veritas Zimbabwe 2016). In 1980 the Agricultural Service Cooperatives (ASC) movement had at least 343 registered primary

societies with a membership of close to 70, 000 communal and subsistence farmers (Chitsike 1989). In 1987, the number of active agricultural service cooperatives had escalated to 527 and membership was approaching 125,000 showing a gradual progression and the influence cooperatives had on the members of the community.

In Zimbabwe, smallholder farmers have been confronted with significant productivity and marketing hurdles that they are unable to overcome on their own. Productivity has been drastically declining in recent years, which has had a significant impact on the nation's agricultural development. According to Mahove (2002), over the pre-ESAP period (1985 to 2000), the investment level in agriculture declined. This resulted in less support for the cooperatives, and over 90% of them either failed or continued to operate at a very low capacity.

The government of Zimbabwe since independence in 1980 has been supporting the rapid growth and expansion of the cooperatives. The Agricultural Service Cooperatives (ASC) was given the duty to secure farming inputs such as seeds, fertilizers, and treatment chemicals as well as distribute them to the farmers. The funding for this support was received from the Agricultural Finance Corporation (AFC) to communal farmers (Masiiwa et al. 2004). However, due to an acute shortage of adequately trained staff members, poor leadership and management systems, and inadequate storage as well as transport facilities, the program was not completely successful in satisfying most of its customers (Masiiwa et al. 2004). The Ministry of Agriculture had its problems also which included a lack of funds to develop the management capability and a solid task force to monitor the competency of the cooperatives to manage themselves. The ministry suffered the plague of poor management, undercapitalization, and poor operational and financial performance (Ortmann & King 2007).

The demise of numerous cooperatives for agriculture in the country has been a setback for agricultural development because these organizations were crucial in addressing some of the issues smallholder producers faced, such as mobilizing group action to take advantage of economies of scale and efficiency gains along value chains.

Furthermore, access to affordable inputs and financial services, which help smallholder farmers to allow them to participate in beneficiation and agricultural selling opportunities, has been impacted by the collapse of the agricultural cooperatives in nearly every region of the country. This had impact on the nation food's security because its smallholder sector accounts for a large portion of the economy and provides food security for practically the whole population. Smallholder farmers have a better standing in marketplaces thanks to smallholder farming, which includes various cooperative training and an increase in bargaining power.

According to Chitsike (1989), the ASC suffered stiff competition from the private companies that would supply the communal out growers' inputs and the Grain Marketing Board of Zimbabwe (GMB) which has been expanding its network of depots and collection points in the communal areas. The GMB's initiative was open to all farmers regardless of belonging to cooperatives or not and this made the ASC less popular. The GMB is the country's leading grain trade and marketing company which was established in 1931 as the maize control board with a responsibility to accord local maize producers, their fair share of the local and export markets and to provide them with a guaranteed outlet for their excess maize produced. The establishment of the board was also to ensure the availability of adequate supplies of maize for the local demand either from internal production or from exports (Jiriyengwa 1993).

The ASC's market share of inputs supply and produce marketing declined and their financial position deteriorated due to the competition brought by the rival GMB. According to Chitsike (1989) the ASCs were handling at least 25 percent of the input supply and less than 10 percent of produce marketing in the communal areas. This level of turnover was inadequate to cover the overhead cost of numerous cooperatives and it contributed to a decrease in the productivity or activeness of some cooperatives since there is now reduced support.

The act was then revised and promulgated on 15 July 1990 as the Cooperative Societies Act chapter 24:05 Government of Zimbabwe to provide for the formation, registration, regulation, management, functioning, and dissolution of cooperative societies by cooperative principles and in pursuance of government policy and self-reliance *Government of Zimbabwe, Cooperative Act (2001)*. It is also there to provide for the establishment of a Central Cooperative Fund and provide for matters connected with or incidental to the foregoing.

In December 1990, the old Cooperative Societies Act was revoked and needed revision. This was following a request from OCCZIM (Organization of Collective Cooperatives in Zimbabwe) and NACSCUZ (National Association of Cooperative

Savings and Credit Unions of Zimbabwe) of the faults and loopholes that the act had and not catering for other sectors of the cooperative movement (Vingwe et al. 2019). A team was then set up with the help of (FES) Friedrich-Ebert-Stiftung Zimbabwe to get assistance from German Professor Dr H. Muenkner, a specialist in cooperative development, particularly in cooperative legislation and policies. The act was drafted with also contributions from various participatory workshops and consultations held across districts, provinces, as well as national level; however, it was then revised in 1996 and later in 2001 (Vingwe et al. 2019). It was also identified that from the 1986 establishment of the Ministry of Community Development, Cooperatives, and Women's Affairs, there was slow progress for over a decade after introducing market liberalization that "The Revised Government Policy on Cooperative Development" was developed in 2005. It is argued that this delay shows low priority on cooperative movement by the government (Vingwe et al. 2019). The document helped shape cooperatives to the dynamic globalisation and economic liberalization; thus, its formulation allowed cooperatives autonomy in setting up self-sustained businesses (Muchetu 2020). The cooperatives were proposed to be on full commercialisation and economic viability as a priority, but they were not fully operationalized in the further legislation and cooperative policies (Vingwe et al. 2019).

The 2005 policy document helped to boost the total number of registered cooperatives from 1800 in the year 1987 to 3,575 and the number of registered members reaching over 200,000. However, it is essential to note that this included the active and passive members since the registration system did not specify (Vingwe et al., 2019). By 2013, the Ministry of Small and Medium Enterprises Development and Cooperatives reported 6,500 registered societies with an assumption of an average of 100 members in a group and an estimated summation of 650,000 members. As the years passed from the beginning, the cooperatives were never a stand-alone ministry, which showed the limited attention it was given by the government until November 2017 under the cabinet of President Emmerson Mnangagwa when it was now being governed under the Ministry of Industry Commerce and Enterprise Development and then in few months it was now Ministry of Women Affairs, Community Small and Medium Enterprise (MWACSME) (Muchetu 2020; MWACSME 2020; Vingwe et al. 2019).

### 2.9.1. Zimbabwean Law on Cooperatives

In Zimbabwe, the Cooperatives Societies Act (Chapter 24:05), published in the Government Gazette, lays out the rules for constituting, registering, functioning, and winding up cooperative societies within the country, (*Government of Zimbabwe, Cooperative Societies Act 1990*). It commenced in 1990 but was revised and consolidated in December 2016. The Act was developed and designed to encourage the establishment and organisation of the cooperative movement in Zimbabwe. The Act details the process for creating a cooperative and the eligibility criteria for potential members, and it requires the cooperative to submit a constitution for approval. The Act also details issues such as the rights, liabilities, and obligations of members, directors, and other officials of the cooperative, the election process for appointing a board of directors, financial management guidelines and audit requirements. It permits the registrar of cooperatives to supervise and regulate them and gives them the authority to inspect books, conduct inquiries, and dissolve or liquidate societies when necessary.

The Act also establishes the National Co-operative Federation and the Central Cooperative Fund. The National Co-operative Federation is an association constructed by primary or secondary societies or by both to execute the functions indicated in section nine of the Act. At the same time, the Central Co-operative Fund was established to provide financial assistance to co-operative societies for their development (*Government of Zimbabwe,-operative Societies Act 1990*).

The Act details how cooperatives are to be structured, the guiding principles that should govern cooperatives, and the objectives the cooperatives must aim to achieve. It is essential to know that the structure, objectives, and guiding principles align with the principles and objectives advised by the ICA (1995). According to the Act, a cooperative movement in Zimbabwe shall consist of:

- Primary societies are associations of natural persons, which are registered in the terms of the Act and run in accordance to the principles as set out in the Act.
- Secondary societies are associations of primary societies that are registered under the Act and operate according to the cooperative principles set out in the Act.
- Apex organizations, associations of primary societies or secondary societies registered under the act and operating by the cooperative principles set out in the act.

• Where apex organizations have established such a federation according to terms stated in the act, the National Cooperative Federation represents all societies and apex organizations at national and international levels.

The Act also compels every registered cooperative society to cooperate by the following principles:

- The membership will be voluntary and open for everyone meeting the conditions for membership as per the terms of the society's by-laws.
- In the case of primary society, all members will have one vote in any general meeting, regardless of the shares held by the member.
- In the case of a secondary society or an apex organization, every member shall have voting rights prescribed in the society's by-laws.
- Services will be offered by the society essentially to the members, provided that in situations of a collective society, the services will incorporate the provision of employment for the members and improving living conditions.
- The act shall limit dividends on share capital.
- Education and training facilities will be accessible to members and potential members, with the aim of improving their well-being and vocational skills and acquainting them of their rights and responsibilities to the society.

The act tasked every registered cooperative in Zimbabwe to attain and achieve the following objectives,

- Promoting the economic and social interests of its members by government policy.
- The second objective is performing any economic or social activity in the interests of its members.
- The third objective is to participate in the nation's overall economic and social development through increased production, improved supply and marketing channels, and the mobilization of human resources.

# 3 Aims of the Thesis

### **3.1. Problem Statement**

The burning question of major focus would be, "Are the agricultural cooperatives living up to their potential"? Challenges such as, poor leadership and management, inadequate training or governing skills, lack of capital, poor participation, or contribution and support from others as well as a lack of communication have been indicated to limit the productivity and effectiveness of agricultural cooperatives (Hansen et al. 2002; Hando et al. 2022; Matangaidze et al. 2023). While some of these challenges are beyond the cooperative domain and rest within the government's ambit, others are issues that the cooperatives can resolve. Studies have proven that an organization's performance and success largely depend on strong internal governance leadership norms, working rules, and structure. Also, the extent to which members perceive and understand these factors and the extent to which they are included in leadership roles will impact their commitment levels, and this, in turn, will influence the success of the cooperative. This makes it essential to study how leadership has impacted the commitment, satisfaction and participation of the members and the effectiveness of the cooperatives, a case study of Chipinge district in Zimbabwe since there hasn't been such a study conducted for cooperatives in Zimbabwe particularly in the district region.

## **3.2.** Specific Aims of the Thesis

- i. To assess the participation of smallholder farmers in cooperative leadership, opportunity to become leaders, influence on decision-making, and leaders' selection.
- ii. To analyse the perception of farmers on leaders' competency skills and type of leadership.
- iii. To assess how members' commitment is affected through satisfaction by participation, leadership styles, trust, and motivation, of the cooperative members.

### **3.3.** Hypothesis

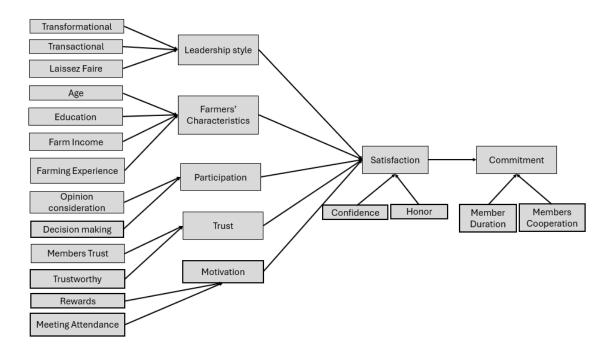
Based on the findings of Bijman & Wijers (2019) and Fu et al. (2022) the first hypothesis of this study is:

- H<sub>1</sub>: Smallholder farmers are given the chance to take part in cooperative leadership. Based on the findings of Hansen & Morrow (2003) and Österberg & Nilsson (2009) the second and third hypotheses of this study are:
  - H<sub>2</sub>: Increasing smallholders' trust in the leadership has a positive impact on their commitment.
  - H<sub>3</sub>: Smallholder farmer's perception of the transformational leadership style is positively related to their commitment and satisfaction with the cooperative.

### **3.4.** Conceptual Framework

The conceptual framework in displays categories of factors which are leadership style, farmer's characteristics, trust, and participation and motivation how they have an influence on cooperative members' satisfaction and commitment to their cooperative. These factors have also been explained by previous studies acknowledged (Awoke 2021; Ortmann et al. 2019; Hejkrlik et al. 2021; Cechin et al. 2013b; Mwambi et al. 2020).The farmers' characteristics are made up of age, education, farming experience, and farm annual income. The leadership style comprised transformational, transactional, and laissez-faire. Trust was focusing on individual trustworthiness and members trust among themselves. Members' motivation basing on the rewards and meeting attendance. Participation is constructed by members' opinion consideration and if they have a chance to participate in decision making. Satisfaction also has other direct variables that have influence which are, members' confidence instilled by the leaders and honour to be part of the cooperative. Commitment also having direct variables which are members' duration in the cooperative and members' cooperation with others.

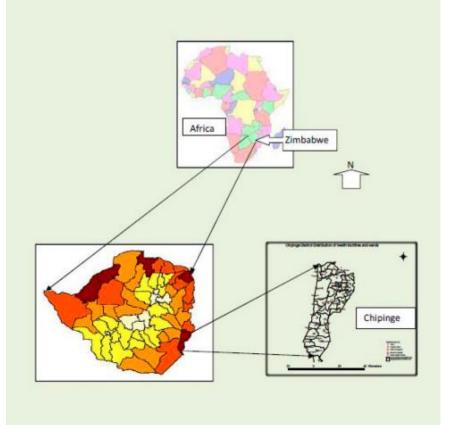
#### Figure 2: Conceptual Framework of the research.

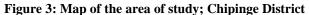


# 4 Methodology

### 4.1. Study Area

The study was done in Chipinge district in Zimbabwe. The district is situated in the southeastern part of the country and has a population of at least 34 959 people according to the (ZimStat 2022). Chipinge district experiences high rainfall and warm temperatures and is part of the green belt in Manicaland province. Most farmers in the region specialize in farming tea, avocados, macadamia nuts, forest timber plantations of wattle trees and gum trees as well as various fruits all sold across the whole country, and some are exported. Chipinge district has one of the recognized southern tropical forests in the country called Chirinda forest and many of the locals benefit from it and other national scientists visit the forest carrying out various medicinal studies. The forest also holds the famous "big tree" indigenous in Zimbabwe and is populated with many gigantic mahogany trees thus the general climate of the district is fine for agricultural activities both small and large-scale farming.





(Source: Sande et al. 2012)

### 4.2. Data Collection

The study applied a cross-sectional survey design using the quantitative and qualitative methods. Data was collected during December 2022 at the cooperative level, using the electronic survey program Nestforms, structured and semi-structured questionnaires through face-to-face interviews.

The research instruments and the targeted group or respondents are highlighted in Table 1 as they relate to how the data was obtained.

<b>RESEARCH INSTRUMENT</b>	TARGETED GROUP
Questionnaires	General members of the cooperative
Interviews	Key informants (District and Ward level)
Focus Group Discussions	General members of the cooperative

Table 1: The research instruments and the targeted group

### 4.2.1. Questionnaire for member

The questionnaire was prepared in English and issued in Shona, a local language that is vernacular to the farmers. A total of two enumerators participated in the data collection. A pre-test was done with 5 farmers from the study area before the actual survey was conducted to sample if the developed tools were feasible and collect the desired information for the research. The research applied a stratified random sampling technique for 137 members where the population was divided into small groups of tea farmers and dairy farmers basing on their geographical location. Within the strata in villages the members were randomly selected using the random number generator from the list, which was provided by the Agricultural Extension Officer, giving every member a fair chance to participate. The targeted population of cooperatives major in milk dairy production and tea growing as the two most popular agricultural products and where most cooperatives in the district are still functional. Agriculture Extension Officers in the wards helped us with the directions, mobilizations and local communication channels to the farmers and local leaders of our presence in their respective wards.

The sample size can be used as a representation of the dairy and tea cooperatives in Chipinge district. Among the 3700 cooperative members in the district, the 2 wards selected, using the sample size calculator with a confidence level of 95% a margin of error of 9%, and a population proportion of 50%, we reached out to 137 members, we were able to estimate the general perception of the cooperative members in the area of study. A total 80 members belonged to tea farming and 57 belonged to dairy farming. Tea cooperatives are more popular in Mt Selinda supplying to Tanganda Tea company as the biggest tea buyer for the farmers in the area, whereas dairy farmers are more popular in Paidamoyo belonging to the Mayfield and Rusitu dairy cooperatives and having the Dairy Marketing Board Private Limited company (DMB) as the biggest buyer for their dairy milk in the region. Information about cooperatives and number of cooperative members in the district was obtained from the Ministry of Lands, Agriculture, Fisheries, Water and Rural Development at District level office.

### 4.2.2. Focus Group Discussion

A total of 3 focus group discussions were also conducted (2 for tea farmers and 1 for dairy farmers). We intended also to conduct 2 focus group discussions for dairy farmers, but we could not because there was a non-governmental organization food distribution program that was occurring, and it required all ward members attendance. Focus group discussions were intended to get the general information as a shared discussion from the group members in their heterogeneity to expand the discussion of the research. All members of the group were invited to attend the focus group discussions and attendance was based on availability it was not mandatory.

A list of unstructured questions was developed which was discussed in focus group sessions. The focus group questions were structured as personal evaluation, recommendations, and closure questions in that order accordingly. The questions asked during the discussion are as follows: *What do you think about the leadership system in your cooperative? Is the leadership trustworthy? Is everyone engaged in the leadership selection process and decision-making? Is the leadership selection process fair? To what extent do you trust each other? Are you able to openly share your ideas in the cooperative? Does everyone have the opportunity to become a leader? Are your contributions considered? What do you think should improve in the leadership of your cooperative?* 

### 4.2.3. Key Informant interviews

We also conducted 6 key informant interviews, breaking them down as 2 Dairy Agricultural Extension Officers, 3 Tea Agricultural Extension officers, and 1 District Agricultural Head Officer. These provided more qualitative information which helped to give in-depth information on cooperatives in the local area. Key informant interviews were structured in a more formal way in which government officials were able to give their opinions based on their experiences working with cooperatives in the various communities. The questions asked were as follows: *How are leaders selected? Who motivates the members to stay the in cooperative? Are the members engaged in decisionmaking by the leaders? Does the heterogeneity of cooperative members influence the decision-making? Are the group members satisfied with the leadership in the cooperative? What is your opinion on the leadership style practiced by the cooperative?* 

### 4.3. **Operationalization and Data Analysis**

In analysing members' perceptions of the leadership, variables from the literature chapter were acknowledged and used that may have direct and indirect influence on the question. We identified that members' perceptions are highly influenced by the type of leadership in the cooperatives, how motivated are the members to participate, whether their contribution is considered during meetings, if there is trust among themselves also if the cooperative environment encourages commitment and satisfaction for its members. (Awoke 2021; Greenberg & Baron, 2008; Fulton & Giannakas, 2001; Österberg & Nilsson, 2009; Putnam, 2001)

We identified the major variables that were useful in capturing the information required in the research and the control variables that had the potential to influence the outcome. Table 2 is a list of the variables, descriptions, and units for the questions asked with their minimum, maximum, mean and standard deviation in the research questionnaire. A multi-factor leadership questionnaire was also used to assess the leadership style.

 Table 2: Descriptions of the questions and variables used.

Variable	Description	Unit	min max	Mean (SD)
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Control Variables	Age	Age of member	Years	24	96	57.37 (13.33)
<i>vanabies</i>	Education	Level of education	(Grade level) 1- Didn't go to school, 2-Primary level, 3-O level, 4-Alevel, 5- Tertiary	1	5	(13.55) 2.59 (1.18)
	Experience	Farming experience	Years	1	56	25.08 (12.71)
	Duration	How long have you been in the cooperative	Years	1	50	20.01 (12.01)
	Farm Income	Annual farm income	\$USD	21.0	8500.0	737.3 (872.2)
	Off-farm Income	Annual off-farm	\$USD	0	4000.0	353.7 (664.7)
Research Variables	Participation	To what extent do you agree that "I participate in decision-making"	1-Strongly disagree, 2-Partly disagree, 3- Neither agree nor disagree, 4-Partly agree, 5-Strongly agree	1	5	4.39 (0.98)
	Opinions consideration	To what extent do you agree that "My opinions are considered during meetings"	1-Strongly disagree, 2-Partly disagree, 3- Neither agree nor disagree, 4-Partly agree, 5-Strongly agree	1	5	4.28 (1.01)
	Trustworthy	Do other members have trust in you?	1-Strongly disagree, 2-Partly disagree, 3- Neither agree nor disagree, 4-Partly agree, 5-Strongly agree	1	5	4.26 (0.99)
	Members Trust	Can other members be trusted?	1-Strongly disagree, 2-Partly disagree, 3- Neither agree nor disagree, 4-Partly agree, 5-Strongly agree	1	5	4.37 (0.91)
	Leadership opportunity	Does everyone have the opportunity to become a leader?	1-Strongly disagree, 2-Partly disagree, 3- Neither agree nor disagree, 4-Partly agree, 5-Strongly agree	1	5	4.20 (0.97)
	Leaders' coordinating skills	Rate the leaders' skill in coordinating activities	1-very poor, 2- poor,3-fair, 4-good, 5-excellent	1	5	4.03 (0.84)
	Leaders' marketing skills	The leaders' skill in securing cooperative market	1-very poor, 2- poor,3-fair, 4-good, 5-excellent	1	5	3.78 (0.94)
	Meeting attendance	How often do you attend meetings?	1-frequently, if not always, 2-often, 3- sometimes, 4-once in a while, 5-not at all	1	5 Reverse	1.88 (0.82)

Members' cooperation	How many members do you cooperate with from the group?	1-all members, 2- majority of members, 3-half of the members, 4-some members, 5-none of them	1	5 Reverse	1.62 (0.88)
Meetings contribution	How often do you contribute to decision-making in meetings	1-frequently, if not always, 2-often, 3- sometimes, 4-once in a while, 5-not at all	1	5	2.03 (0.82)
Supplying resources	Are you willing to supply resources to the cooperative?	1-yes, 2-no	1	2	1.02 (0.15)
Rewards	Leader rewards members on task completion	1 Not at all, 2-Once in a while, 3 Sometimes, 4- Often, 5-Frequently, If not always	1	5	2.88 (1.44)
Honor	Members feel honoured to follow the leader	1 Not at all, 2-Once in a while, 3 Sometimes, 4- Often, 5-Frequently, If not always	1	5	4 (0.96)
Confident	Members feel confident in approaching the leaders	1 Not at all, 2-Once in a while, 3- Sometimes, 4- Often, 5-Frequently, If not always	1	5	3.01 (0.82)
Decision most considered	Whose decision is mostly considered?	1-every member, 2- members with high income, 3-members of old age, 4- members who have been in the group for long, 5-the leaders only		% Percentage	
Leadership Selection Criteria	How are leaders selected?	1-assets based, 2- age, 3-experience, 4- political affiliation, 5-influential, 6-age & experience		% Percentage	

## 4.3.1. Active members and passive members

The cooperative farmers were classified into two groups which are the active and passive members. A similar concept used by Mwambi et al. (2020) on identifying active and passive members was adopted. The active members are the ones who attend meetings and they actively speak up in meetings Mwambi et al. (2020) meaning they have a contribution to the meeting. Whereas passive members simply attend meetings and do not participate or contribute to the meetings. By using the Likert scale all members whose

responses were "frequently if not often and Often" upon being asked if they actively speak up and contribute to meetings were classified as active members. The members who responded "Sometimes and Once in a while" were classified as passive members. A total of 97 members were considered active and 40 members were passive. Classifying members as active or passive helped us to evaluate their responses differently since their perceptions were based on satisfaction and their commitment to the cooperative. If members are active, they are fully versed in the activities that happen in the cooperative as compared to passive members.

The Table 3 shows a description of the social characteristics data that was used and a comparison between active and passive members.

Variable	Units	Cumulative (N=137)	Active (N=97)	Passive (N=40)	Min Value	Max Value	Sig
Age	Years	57.37 (13.33)	58.52 (13.23)	54.56 (13.14)	24	96	0.117
Education	1-Didn't go to school, 2- Primary level, 3-O level, 4- Alevel, 5-Tertiary	2.59 (1.18)	2.56 (1.21)	2.68 (1.08)	1	5	0.597
Experience	Years	25.08 (12.71)	26.01 (11.63)	22.6 (14.73)	1	56	0.145
Duration	Years	20.01 (12.01)	21.60 (11.95)	16.33 (11.51)	1	50	0.20
Farm Income	\$ USD	737.3 (872.2)	826.2 (981.1)	521.8 (453.5)	21	8500	0.064
Off-farm Income	\$ USD	353.7 (664.7)	305 (666.7)	471.8 (644.9)	0	4000	0.184
Supplying resources	1-Yes, 2-No	1.02 (0.15)	1.02 (0.14)	1.03 (0.16)	1	2	0.875

Table 3: Social Characteristics for descriptive between active and passive members

### 4.4. Data processing

#### 4.4.1. Objective 1 & 2: Descriptive Statistics

To address the first objective, the data collected was analyzed using descriptive statistics comparing the results for active and passive members looking at mean, and standard deviation assessing members' opportunity to become leaders, participation, influence on decision making, and leaders' selection using the tool IBM SPSS Statistics 29.0. An independent t test was also done for all variables comparing the significance difference between active and passive members.

To address the second objective similar descriptive statistics analysis was done using the IBM SPSS Statistics 29.0. The data was presented looking at mean and standard deviation after analysing the perception of farmers on leaders' competency skills in coordinating and marketing. The Likert scale helped to evaluate how much the smallholder farmers trust the leadership's credibility and fairness. As for leadership style, multi-factor leadership questionnaire scoring was used. We used the scoring of seven major factors which are idealized influence, inspirational motivation, intellectual stimulation, individualized consideration, contingent reward, management by exception, and laissez-faire inspiration as shown in the Table 4 (Rowold 2005; Leader et al. 2020). The questionnaire consisted of three distinct items that calculated the scores for each element. After scoring the major seven factors, we then grouped them as per the leadership style categories and compared the means. The leadership with the highest mean was considered as the most popular leadership style.

Leadership Style	Factors	Description	Unit
	Idealized	Leader instils confidence	1 Not at all, 2-
	Influence		Once in a while,
Transformational		Members trust the leadership	3 Sometimes, 4-
		completely	Often, 5-
		Members feel honoured to follow the	Frequently, If not
		leader	always
	Inspirational	Leader offers precise descriptions of	
	Motivation	tasks	
		A leader is an inspiring example	
		Leaders assist others in purpose	
		discovery	
	Intellectual stimulation	Leader allows innovation	
		Leader offers new ideas	
		Leader persuades on new initiatives	
	Individualized	Leader supports development and	
	consideration	growth	
		The leader provides feedback on performance	
		Leader shows special consideration to	
		rejected members	
Transactional	Contingent reward	Leader instructs members and offers compensation	
		Leader rewards members on task	
		completion	
		Leader emphasizes on rewards as per	
		effort	
	Management	Leaders are happy when members	
	by exception	adhere to norms	
		Leaders don't change working systems	
		if they are working	
		· •	

#### Table 4: The Leadership Questionnaire and its logic

Laissez-faire

Laissez faire

The leader explains the task requirements for performing each task A leader is content to allow members to carry on with routine tasks A leader is okay with whatever the group members want to do A leader requires only what is essential

#### 4.4.2. Objective 3: Partial Least Square -Structural Equation Model

For the third objective a Partial Least Square Structural Equation Model, a nonparametric approach for multiple variables was used to analyse how members' commitment is affected by leadership style, motivation, trust, participation, through satisfaction as mediating variable. The research investigated how commitment as the independent variable is affected by members' motivation, trust, participation, as dependent variables through satisfaction as mediating variables.

Structural Equation Modelling (SEM), often known as path analysis, is the most effective econometric model when working with complex models that involve many constructs and indicators. It is also ideal to use when the sample size is small but still produces predictive accuracy. According to, Figueroa-García et al. (2018) a partial least square model can simultaneously test the measure model and the structural model. Two types of measurement models are formative and reflective. In formative measurement the indicators cause or form the construct, whereas in reflective measurement the constructs reflect or cause the indicators (Hair et al. 2019; Möllers et al. 2018). In this case, we used the consistent PLS-SEM algorithm since the latent variables were reflective. PLS-SEM enabled us to examine the connections between latent and observable variables. Primarily the PLS-SEM focuses more on the interplay between prediction and theory testing and the results should be validated accordingly (Shmueli 2010; Hair et al. 2019)

According to Hair et al. (2019), PLS-SEM is ideal and useful when the analysis focuses more on testing theoretical frameworks from predictive perspectives. Also, whenever the research objective focuses on better understanding the complexity by exploring the theoretical extensions of the established theories. It is also ideal when structural models are complex and include multiple constructs, indicators, variables, or model relationships. Above all the use of latent variables and requiring their scores to be used for analysis.

In the PLS-SEM model in Figure 4, the commitment latent variable reflects two indicators (membership duration and members cooperation), participation reflects indicators (participation in decision making and opinion consideration), motivation reflects indicator (members rewards), trust reflects two indicators (trustworthy and member trust), and satisfaction reflects two indicators (honour and confident). The leadership style latent variable reflects (transformational, transactional, and laissez-faire leadership styles). We dropped farmer's characteristics as a latent variable and picked age and farm experience having a direct influence on satisfaction since farm income and education had a lower outer loading factor. We also dropped meeting attendance from motivation construct since it also had a lower loading factor.

# 5 Results

### 5.1. Members' Inclusivity in Cooperative Leadership

The Table 5, exhibits members results comparing active and passive members. Upon asking members' participation in the decision-making process the results showed high and positive responses for all members although active members had a higher mean compared to passive members with a fair response. This showed that active members believe they have more opportunities to participate in decision-making. A comparison of opinion consideration between the active and passive members was not statistically significant and the results showed that both groups believed to a certain extent that their opinions were considered.

The other variable was leadership opportunity for all members and active members had a significantly higher mean than passive members. As supported by responses from focus group discussions, members expressed that everyone in the group had the opportunity to become a leader if the members qualified and had the majority of votes could be elected as the cooperative leader. Our scale on meeting attendance and members' cooperation was developed in reverse having 1 as the highest and 5 as the lowest. The results showed that active members attended and cooperated more than passive members. It was also highlighted during the focus group discussions that, the leaders share with the group any relevant updates and information in line with meetings, workshops, or training that might be arranged for the group members to benefit from thus strengthening inclusivity.

Variable	Cumulative (N=137)	Active (N=97)	Passive (N=40)	Sig
Participation	4.39 (0.98)	4.56 (0.87)	3.98 (1.08)	<.001***
<b>Opinions</b> consideration	4.28 (1.01)	4.40 (0.96)	3.98 (1.06)	<.024
Leadership opportunity	4.20 (0.97)	4.29 (0.98)	3.98 (0.88)	<.085
Meeting attendance	1.88 (0.82)	1.75 (0.77)	2.18 (0.86)	<.006**
Members' cooperation	1.62 (0.88)	1.44 (0.66)	2.05 (1.16)	<.001***

Table 5: The descriptive difference between active and passive members

Note: \*Denotes significance level at 10%, \*\*Significance level at 5%, \*\*\* denotes significance level at 1%

The question whose decision is most considered, and the leadership selection criteria had multiple responses and they were presented in percentages showing which option was selected the most overall. The active members believed that every member's decision was considered giving equal opportunity to all members however in as much as passive members agreed to that, they also believe that high income and the old age are factors also matters when members decision is being considered. The Table 6 shows the member perception on whose decision is considered the most influential in the cooperative.

Variable	<i>Cumulative (N=137)</i>	Active (N=97)	Passive (N=40)
Every Member	76.6%	58.4%	18.2%
Members with high income	2.2%	0.7%	1.5%
Old age members	5.1%	2.2%	3%
Members with longer membership years	9.5%	5.1%	4.4%
Leaders only	6.6%	4.4%	2.1%

Table 6: The members whose decision is considered the most.

The leadership selection criteria had multiple responses options open for the respondents. The results showed that both active and passive share similar sentiments as the highest and most commonly picked response was experience with cooperatives and leadership. It is believed that for a member to be selected into leadership, experience working with cooperatives is essential although other factors were also considered. This was also mentioned even during the focus group discussions, a direct quote from one of the participants that, "Experience working with cooperatives and leadership is of great essence for a leader. We wouldn't want to be led by someone who has no experience since they will not be able to tell us anything new that we can use in our cooperative." Influential in the community was also the second popular option selected by both active and passive. Members believe that someone who is influential has a chance to convince members, the community as well as potential buyers during negotiations and can speak on behalf of the group. However influential members have the ability to take control and have a negative influence on the cooperative. It was mentioned during the focus group discussion that, "Influential members may cause other members' opinions not to be heard or considered as they override with their influence, and this may have a negative effect on members commitment." The Table 7, shows the results after asking about leadership selection criteria.

#### **Table 7: Leadership Selection Criteria**

Variable	Cumulative ( $N=137$ )	Active (N=97)	Passive (N=40)
Experience	95.6%	69.3%	26.3%
Influential	40.8%	27.7%	13.1%
Age	32.1%	18.2%	13.9%
Assets based	10.2%	6.6%	3.6%

1.5%

1.5%

### 5.2. Trust, Skills, and Leadership Style

The Table 8 shows the results obtained on leadership coordinating skills in group activities like meetings, training, field day events, and securing the market. At least active members had a higher mean than passive on coordinating skills. The members appreciated the efforts made by their leaders in calling out for meetings engaging all members and sharing information received from their Agricultural Extension Officers. This includes information on government incentives for seeds, stock feeds, and pesticides and this was also confirmed during the focus group discussions. Members were also asked about being trustworthy and trust amongst other members, and active members had a statistically significantly higher response than passive members. One of the key informants also highlighted, "Having trust and motivation coming from within the members helps to strengthen their relationship and every member is keen on playing his/her part in the development of the cooperative." During focus groups, it was discussed that the leaders liaise with the buyers on the dates for tea and dairy collection and share the information with the members so that they are prepared and ready for payments since it is cash payments. Although there is trust, the members are not completely satisfied with the price on the market in which they are selling their products. They strongly believe that there should be room for the leaders to negotiate the pricing for them to get better deals for their products.

However, active, and passive members graded their leaders' competency in marketing skills as just fair. This could be because of the monopsony structure of their market, having a fixed market for both tea and dairy farmers, which is one major buyer, and there isn't much room for a flexible market provided for the cooperatives. The cooperatives sell their tea to one major company Tanganda Tea and the dairy also sells to one major company the Dairy Marketing Board (DMB) and there are no other foremost buyers who can bid the pricing or create room for price negotiation. In the supply chain for dairy, the farmers make their own stock feeds and also purchasing medication at their expense, and this also determines milk production. DMB comes every day to collect milk from the wards milk collection centres transporting to their plants for processing whereas

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with tea farmers focus more on cultivating and harvesting and the collection is done biweekly by Tanganda Tea Company, but the payment is done at the end of the month as per the agreed terms of their contracts. For dairy farmers they are sometimes able to sell milk to individuals for some quick money but for tea farmers it's a different case. This has made the members to be less committed to the cooperative and working on side business since they are failing to achieve economies of scale and strengthening bargaining power.

Table 8: A Summary of descriptive trust and leadership skill

Variable	Active (N=97)	Passive (N=40)	Mean Difference	Sig
Trustworthy	4.40 (0.89)	3.93 (1.13)	0.47	<.010*
Members Trust	4.51 (0.80)	4.03 (1.06)	0.48	<.005**
Leaders' coordinating skills	4.09 (0.83)	3.88 (0.84)	0.21	<.168
Leaders' marketing skills	3.84 (0.95)	3.63 (0.91)	0.21	<.239

Note: \*Denotes significance level at 1%, \*\*Significance level at 5%, \*\*\* denotes significance level at 10%

### **5.2.1.** Perception of farmers towards the leadership style

The Table 9, shows the distribution of results on members' perceptions of the leadership style, using the Multifactor Leadership Questionnaire (MLQ). Since the results shows mean of means, it was not essential run a significance test. The highest mean score rating was laissez-faire and the lowest was transactional leadership style. This means that cooperative members work more independently without constant check-ups or supervision from their leaders. The results showed that members have the chance to come up with new ideas and implement them since the leaders would have delegated authority and decision-making to the cooperative members. It is also important to acknowledge the closeness comparison of the mean scores between transformational and transactional leadership. From the focus group discussions and key informants, it was also identified that members are given room to be innovative and offer contributions to the leaders, and their opinions and ideas are also considered, and this is evidence that the transformational leadership style is common. The cooperative members also confirmed that they receive rewards upon tasks completion as well as compensations upon following instructions which are elements of transactional leadership. This shows that the leaders apply some aspects of all leadership styles proving that one leadership style alone is not sufficient or satisfying to be used in the governance of the cooperatives.

Leadership Style	MLQ Subscale	Cumulative Mean Rating Score	Active Members	Passive Members
	Idealized Influence	3.71 (0.50)	3.74 (0.49)	3.64 (0.53)
Transformational	Inspirational Motivation	3.71 (0.55)	3.80 (0.53)	3.46 (0.63)
	Intellectual stimulation	3.82 (0.11)	3.85 (0.13)	3.73 (0.06)
	Individualized consideration	4.01 (0.34)	4.07 (0.37)	3.88 (0.26)
	<u>Total Mean</u>	<u>3.81 (0.12)</u>	<u>3.87 (0.12)</u>	<u>3.68 (0.15)</u>
Transactional	Contingent reward	3.25 (0.26)	3.24 (0.31)	3.23 (0.18)
	Management by exception	4.16 (0.27)	4.17 (0.28)	4.11 (0.26)
	<u>Total Mean</u>	<u>3.71 (0.46)</u>	<u>3.71 (0.47)</u>	<u>3.67 (0.44)</u>
Laissez-faire	<u>Total Mean</u>	<u>4.04 (0.16)</u>	<u>4.05 (0.19)</u>	<u>4.01 (0.12)</u>

#### Table 9: The leadership style scoring exhibited.

## 5.3. Structural Equation Modelling

The structural model exhibits how leadership style, participation, age, farm experience, trust, and motivation predicted the member's commitment through satisfaction. The NFI (Normed Fit Index) of the model shows 0.66 which reflects that it was a good model. This was also highlighted by Bentler & Bonett (1980) that the closer the NFI is to 1 the better the model fit.

We conducted a confirmatory factor analysis also called confirmatory composite analysis for the outer loadings, the diagram shows that they were all positive and higher than 0.70. We also removed education, and farm income from farmers' characteristics and meeting attendance from motivation since they had a lower score for the outer loadings. From the Cronbach alpha and composite reliability, the variables showed that leadership style, participation, and trust had high reliability scores and satisfaction was slightly below the grade on Cronbach alpha. Still, it was considered due to reliability, and commitment had the lowest score. For convergent validity, we used the average variance extracted (AVE) for the variables, and the results showed that all variables scored more than 0.50, which shows good validity. For the divergent validity, the results from the Fornell Lacker Criterion showed commitment as having 0.786, which is the highest of all the other variables' correlations. This reflects that the correlation of the variables did not influence the results. All the correlations of the variables were less than the square root of the average variance extracted (AVE), which means that our results established divergent validity. The purpose of the divergent validity was to show that all the latent variables used differ.

As for the outer loadings, the results showed a statistically significant influence from latent variables to observable variables on leadership style, trust, participation, and satisfaction, except for commitment, which was not statistically significant. The path coefficient shows a negative result on motivation to satisfaction, which means that not all members are motivated, and also negative on age, which means that not all age groups of cooperative members are satisfied with the cooperative leadership. There is also a negative result between satisfaction and commitment, which means that members are satisfied, but not all are committed to their cooperatives.

Our model's predictive accuracy interpreted 58.1% R-squared 0.581 on members' satisfaction and 3.5% (4%), R-squared 0.035 (0.04 when rounded to 2 decimal places) on members' commitment has been explained by the analysed relationship using the observed data also acknowledged by (Hair et al. 2019; Hulland 1999). Thus, motivation, participation, trust, age, farm experience and leadership style have a positive influence on members' satisfaction and included variables. This interprets that members believe they are satisfied with their cooperatives; however, not all of them are committed. We also checked the Variance Inflation Factor (VIF) for the structural model, and the highest value was 2.09, which means that the inner model was not affected by multicollinearity since a VIF of 10 and above indicates a high multicollinearity. From the inner model, leadership style had the most decisive influence on satisfaction 0.767, and the lowest was age -0.023. The Figure 4, shows the results for PLS-SEM model causal relation predicting members satisfaction and commitment.

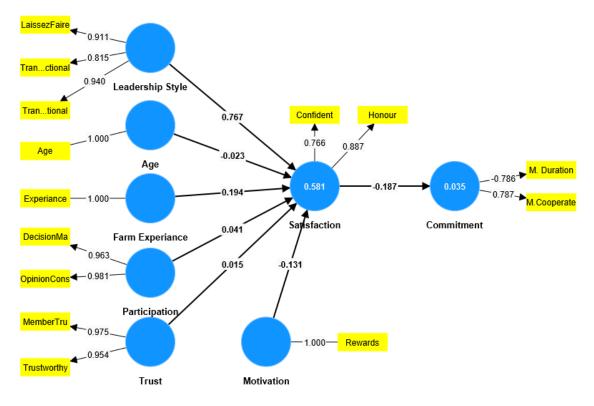


Figure 4: PLS-SEM results predicting members' commitment and satisfaction.

Table 10: Test for Validity and Reliability of the Reflective Constructs.

Latent Variable	Cronbach's Alpha	Composite reliability	The average variance extracted (AVE)	Outer loadings	Discriminant validity HTMT criterion	R- Square	R- square adjusted
Recommended	(>0.70)	(>0.60)	(>0.50	(>0.70)	(<_0.90)		
Threshold Leadership	0.87	0.92	0.79	Yes	0.12		
Style	0.87	0.92	0.79	108	0.12		
Participation	0.94	0.97	0.95	Yes	0.41		
Trust	0.923	0.96	0.93	Yes	0.61		
Motivation				Yes	0.15		
Age				Yes	0.75		
Farm				Yes	0.89		
Experience							
Satisfaction	0.55	0.81	0.69	Yes	0.45	0.58	0.56
Commitment	-0.62	0.00	0.62	Yes		0.04	0.03

# 6 Discussion

The purpose of this study was to analyse the perception of the smallholder farmers on the leadership of their cooperatives and assess their participation and contributions in their cooperatives. Several critical variables were selected which helped us in analysing the relationship.

The heterogeneity of the members when comparing the active and passive members of the cooperative is believed to be a contributing factor to members differences on perceptions towards the leadership. It was identified that passive members were younger compared to active members. The elderly often recognise local needs and problems much better than younger people or professionals from outside Muis (2017) which contributes to their activeness more comparing to the younger aged members. Fulton & Adamowicz (1993) highlighted that members' commitment is also influenced by age. The older the member is, the more loyal they are to the cooperative since they find pride and ownership of the cooperative as compared to younger members whose loyalty is questioned. They may be able to address problems more effectively as they often have better insight into the community and more extended periods of joining the cooperatives. Furthermore, members of the old age own the land and have been settled and established within their communities, which gives them the certainty to join community associations and cooperatives. According to Österberg & Nilsson (2009); and Klein et al. (1997)," older farmers tend to patronize all types of co-operative more often than younger farmers" which then supports our findings of having age as influencing factor to commitment although not all age groups proved to be committed.

We identified that the cooperative members' education level was commonly at the primary level and it was a contributing factor to their level of commitment to the cooperative. Me-Nsope & Larkins (2016) study discovered that the level of commitment for members decreases as his or her level of formal education increases. This contributed to the dropping of the education variable on the structural equation.

It was also identified that active members have more farm income sold through the cooperative than passive. From their harvests, the active members depend more on the cooperative for selling their products since it is less stressful for them than to search for buyers outside. This is also supported by Cechin et al. (2013b) who highlighted that committed members are less expected to sell outside the cooperative.

Understanding members' participation in decision-making and the opportunity to be leaders was critical for this research and active members' response showed they participate more and have a better chance to be leaders than passive members. The passive members' inactiveness participation can be explained by the reason identified by Österberg & Nilsson (2009) that perception towards participation in decision-making affects members' commitment to the cooperative which explains our results that not all members proved to be committed. Awoke (2021) also indicated that the heterogeneity of the cooperatives affects members' participation in decision-making thus having active members participating more than passive members. Mwambi et al. (2020)'s findings supported that specialized farmers had the opportunity to participate in decision making, which in our case the opportunity is more to active than passive farmers. Prentice (2004) implied that good leaders support participation of members in a way that satisfies their individual needs and we identified that the leaders were able to bring a supportive paradigm in achieving common goods for the members as also mentioned by (Prasetyo 2016).

Opinion consideration was investigated and identified that members' opinions were considered by the leaders and this was also highlighted by Bhatti et al. (2012) as a way that leaders use to establish a democracy in cooperatives. Bhatti et al. (2012) also supports that members have the confidence to share mistakes or opinions with their leaders and get better views from the leaders. To add to the question of whose decision is most considered, the most popular answer was 'every member' of the cooperative and Bhatti et al. (2012) supports the idea that leaders consider suggestions from members while making decisions.

As expressed by Bhandari & Yasunobu (2009) trust is the ability of people to work jointly for a common purpose, and our results showed evidence of group trust and individual trustworthiness as all members are working for the common goal in the cooperative. The positivity among members shows the amount of trust available in the society which can be considered as social capital Putnam (2001) and our result showed a statistically significant relationship with commitment. Deng et al. (2021) also support that trust is an important factor that contributes to bringing cooperate members closer and increasing their willingness to participate in the cooperative.

The leadership selection criteria were mostly based on experience with cooperatives and leadership. Members' responses showed that although there were other aspects considered, the experience with cooperatives and leadership came out as the most popular criterion for leadership selection. Österberg & Nilsson (2009) mentions it as experience from board work, Abebaw & Haile (2013)'s findings explains as leadership experience being crucial. Bezabih (2021) identified experience (a past role taken as a committee member) as one of the major factors having positive influence. Thus, supporting the importance of experience which in our case was identified as a key factor to influence leadership selection.

Meeting attendance was done more by active members than passive and this contributes to reflecting members' commitment to the cooperative as supported by Mwambi et al. (2020) that meeting attendance is a way to operationalize the commitment of members. A possible reason as to why passive members attended less than active could be as highlighted by Mwambi et al. (2020) factors such as the time and money to attend meetings affects members' participation. We also identified that older members attended the meetings more than younger members. This is also supported by Mwambi et al. (2020) that old farmers have more time to attend meetings as young household members will be taking care of the farm activities. We also identified positive feedback on members' cooperation and collaboration for both active and passive members although active members was better. Mhembwe & Dube (2017) also highlighted the importance of members' cooperation for the better good of the cooperative.

The monogamous relationship on the market for both dairy and tea cooperatives had a negative impact on how members perceive their leaders marketing skills. The leaders are facing a challenge to secure other flexible competitors who can bid or negotiate the buying price to help increase the group's profits or take part in negotiating the selling price to be revised. However, leadership skills in marketing are very crucial and create an environment for a cooperative's ability to implement its main activities (Gutema & Okharedia 2014). The marketing environment should be favourable for all the members to participate and competitive making profits from it. The findings by Dejene & Getachew (2015) also support the essence of interpersonal and marketing skills to achieve cooperative goals.

On the other hand the we identified that the leaders had good coordination skills which allowed members to open more and feel confident with their leaders. Bhandari & Yasunobu (2009) indicates the importance of coordination and civic engagement that facilitates societal cooperation which allows problems of collective action to be resolved. However, a lack of coordination and administrative skills results in the failure of most cooperatives (Hejkrlik et al. 2021).

Furthermore, our findings indicated that the most popular leadership style was laissez-faire which showed that the leaders delegated their authority and decision-making to members. The members appreciated their cooperative leaders and confirmed their involvement in the decision-making process. This leadership style allowed members to express their opinions and suggest solutions to challenges faced as supported by (Bond 2015). However, there was evidence of other leadership styles which the leaders incorporated with laissez-faire. The cooperative leaders would fully convince the cooperative members to enhance their motivation, perceptions, and association with the cooperative objectives and these are characteristic features of transformational leadership as this is also supported by (Kotamena et al. 2020). From the focus group discussions, it was also agreed by the members that the leaders set an example for the members to follow thus creating an inspiring relationship that allows members to assess current practices and motivate them to think in other positive ways and this is also supported by Biaka (2020) as transformational leadership. It was also mentioned during the focus group discussions that the leaders engage the members during meetings lay out cooperative issues to them and allow the members to participate and share their ideas which the leaders would also consider. This was also supported by Bhatti et al. (2012) when explaining the democratic leadership style having opinion consideration as also a popular character. Furthermore, it is important to acknowledge that the flow of information and communication within the cooperative was satisfactory as mentioned by the members. We also identified evidence that the leaders recognises and complements members adherence to their instructions and this shows transactional leadership style as supported by (Bass 1999). Working together in task completion, offering some rewards to motivate the members was also seen in the cooperatives and they are features of transactional leadership (Xie et al. 2018). While some people might do well with a more transformational or transactional style of leadership, others would respond better to a participative laissez-faire style. Cooperatives can foster a warm and inclusive atmosphere that promotes member inclusivity and participation by combining several leadership styles. Agricultural cooperatives can increase their efficacy, encourage member satisfaction, and succeed more in their efforts by utilizing multiple leadership styles.

The positive coefficient path results of leadership style, motivation, and members participation interprets confident results of the cooperative leadership. This interpretation is also backed by the explanation by the school of thought Prentice (2004) where a good leader understands people's motivation and participation in a way that satisfies individual needs. The structural equation model, showed a positive influence of trust on member satisfaction and this was also supported by Grashuis & Cook's (2019) in their findings. For members to be satisfied with their cooperative there must be evidence of trust. However, Österberg & Nilsson (2009) mentioned that when members have trust in the cooperative's management there is a high chance of commitment which was contrary to our findings and we believe it is subjective to the society and the nature of the cooperatives. Hansen & Morrow (2003) indicated that when members have trust in their leadership, they are likely to be satisfied and committed to the organization and this supports the positive influence of trust on satisfaction and commitment as from our results although there is less influence on commitment.

From the study, we acknowledged that cooperative members are satisfied to some extent with their cooperative's leadership, but they are less committed. It was conceded that the cooperatives lack adequate economies of scale which can offer them a robust economic justification. This was also highlighted by Hejkrlik et al. (2021) as of great importance to help expand cooperatives and will go a long way to increase the members' commitment to the cooperative.

Another factor identified that has impacted members' commitment is the issue of heterogeneity among the cooperative members. As mentioned by Awoke (2021) the heterogeneity of a cooperative may have a negative effect on members' participation in decision making and this will eventually affect their commitment. Cechin et al. (2013b) also support that the more heterogeneous a group is the more difficult it gets to achieve common goals. Members' low commitment to the cooperative may be perceived as due

to monopsony, the absence of other alternatives as supported by (Cechin et al. 2013a). If there were other alternative cooperatives or access to markets, they could have left the cooperative thus having low commitment to the available options. The cooperative members believe that there is a need or a chance to get a more flexible market that can accommodate favorable pricing.

From key informant interviews, it was also mentioned that members do not get training and workshops on cooperative governance more often and this has a negative influence on adherence to the cooperative principles. We also identified that not all participants are motivated to trade or sell through the cooperative. Some of the members especially the passive members do not solely depend on the cooperative for income however they have other formal and informal jobs from where they are getting more income, and this has pushed other active members to divert their commitment slowly reduced as they put more attention where they are getting better income and returns compared to the cooperatives. In this case, members are just satisfied with their share from the cooperative, but they are not committed since their attention is driven to other activities.

Another probable explanation of satisfaction is the fact that cooperatives provide their main source of income, and they depend on it for their livelihood although their commitment is questioned. In other terms, cooperative members may be satisfied because of the benefits they get from the cooperative, but they are not motivated by the leadership to be more committed.

As highlighted by Dakurah et al. (2005) and Hejkrlik et al. (2021) satisfied and highly committed cooperative members are more likely to support and participate in all cooperative activities. The reverse effect has resulted in the existence of passive members, and this has also started to affect active members to also start looking into other options that can increase their income than to solely depend on cooperatives.

Puusa et al. (2017)'s findings reported a negative correlation between satisfaction and normative commitment, and this could also be related to our findings that it is possible for members to be satisfied but not entirely committed. There are three types of commitment which are affective, continuance and normative commitment however in our analysis we did not specifically focus on separating them, but it is possible that normative commitment indicated a negative correlation to satisfaction. Whereas, normative commitment is based on social obligations in the cooperative and internalized pressure where being a member is believed as the right thing to do (Apparao et al. 2019). We believe there is a chance the members may only be involved in continuance commitment where their commitment is calculative as they consider the cost of leaving the cooperative and the possible benefits of persistent participation (Apparao et al. 2019). The persistent differences between farmers cooperatives' and their members' goals may be the cause of declining commitment and members' participation (Nilsson et al. 2012; Puusa et al. 2016). The findings demonstrated that members' satisfaction with the cooperative has positive impact on their desire to continue and stay members of that cooperative, this is also supported by the results of (Arcas-Larioa et al. 2015).

### 6.1. Recommendations

Based on the research's findings, the following recommendations were made.

Among the cooperatives in the area of study, there is a need for the government authority to consider training for the farmers regarding cooperative governance this can be done by agents from the line ministry or the use of the agricultural extension officers from the local area. Cooperatives must follow the basic International Cooperative Alliance (ICA) principles to improve their governance, democratic decision-making, and participation. From members' responses during focus group discussions, it was highlighted that there is a need for the members to constantly have seminars and training on cooperatives governance, operations, and other different farming advice since not much has changed in terms of their farming and cooperative governance in the last decade.

Government financial support is also crucial and of significant importance in promoting cooperatives as a separate ministry that requires attention to be recognised. From the literature it was identified that the government does not fully recognize the importance of having cooperatives as a stand-alone ministry than to be operating under the cover of other ministries.

The cooperative leaders have to be flexible and improve in trying to secure much better buyers that can help to motivate cooperative members to sell through the cooperatives. With the help of the local leaders and the agricultural extension officers, the leaders can get external partners or buyers that may be willing to negotiate the pricing to increase their income. Lately the pricing has affected their farm income, especially considering the hyperinflation in the country, and having a fixed income. Most farmers are considering focusing on other side businesses and projects that may create more income for them like artisanal jobs sewing, welding, and other informal jobs than to solely based on cooperative sales.

Lastly, for the sustainability of cooperatives, there is a need to always encourage members' participation and create a favorable environment that makes all members comfortable to discuss their issues since in some cases, cooperative members of younger age were not prioritized to participate, and preference was given mostly to the elderly members with more experience.

### 6.2. Limitations of the study

In as much as the research focused on the key factors that were pointed out, it is important to acknowledge some of the gaps identified. The fact that the margin of error for the population was 9% creates a gap that the results are a representation of a smaller population than 3700 thus we covered two wards of the thirty wards in the district as a representation of the whole district. Also due to limited financial resources for mobility and data collection, this affected the number of enumerators who were engaged to collect data.

Also, the fact that identification of active and passive members was limited to one factor, which was members' contributions in meetings, leaves room for acknowledgment of other factors that can be considered to categorize active and passive farmers. The data resulted in having more active members than passive which could have occasioned partiality.

We also acknowledge the fact that conducting only one focus group discussion for dairy farmers and two for tea farmers may not have been sufficient to get informative points from members perceptions of the leaders. We believe we could have gotten more information after conducting a second focus group discussion for dairy farmers as well but due to ward food distribution programs that were happening the same period we failed to conduct a second focus group discussion for dairy farmers. Therefore, in conclusion of this section, in as much as the research produced results, it is important to acknowledge the limitations and the probable influence on the results.

## 6.3. Further Research Suggestions

The recommendations suggested are in line with the limitations stated above.

Firstly, we recommend that future studies should take cognizance of increasing the population size and engagement with other partners who can assist in data collection to increase the sample size this would also help to get more participants.

Secondly, there is a need to incorporate more than one factor in selecting active and passive members as this will also bring out other factors that might have been missed by this study. Having more than one variable would create room to deepen the analysis and differences between the two groups.

Thirdly we recommend further studies to consider focusing more on measuring members' commitment level specifying the three types of commitment that are affective, continuance, and normative for agricultural cooperatives and members perspectives.

We identified there is also a group of dropout farmers that would be of great research interest and understand the factors that contribute to dropouts of the cooperatives.

# 7 Conclusion

In this study, an analysis of the members' perceptions on cooperative leadership was done and assessing to what extent are the members included or participate in the cooperative leadership. The research aimed at assessing participation and perceptions of active and passive members and how this affects their commitment through satisfaction. The area of study was Chipinge district in Manicaland province of Zimbabwe.

The results from descriptive statistics showed that active members are included more in participating during decision making, their opinions are considered, they also have the opportunity to become leaders more than the passive members. We also identified that all members are invited for meetings and the active members' attendance is more comparing to passive members although all members do cooperate with each other and have no issues regarding trusting in each other and working together. This was also mentioned during the focus group discussions conducted with the members in the absence of their leaders.

Both active and passive members have positive perceptions towards their leader's coordination skills in group activities, organizing meetings and collaboration with other members. However, the leaders' negotiating skills on market were not satisfactory to the members due to monopsony of the market, the leaders are failing to negotiate pricing or get new buyers who can come with better pricing that will increase the cooperative's income. This was also identified as one of the major factors influencing members' commitment since they opt to resort to other non-cooperative formal and informal jobs to increase their income. This was common for both active and passive members and was also highlighted by some of the key informants during the interviews.

By using the multifactor leadership questionnaire scoring, the results also showed that laissez-faire leadership style was most commonly used in the communities having the leaders allowing members the freedom to make decisions without them fully in control although they will provide support. Although the most popular style was laissez-faire leadership style, it is imperative to acknowledge that the results also showed the use of transformational and transactional leadership style meaning that the three leadership styles were used complementing each other thus not one style alone is ideal in the governance of cooperatives, but it is important that they complement each other.

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On analysing how leadership styles, motivation, trust, participation, age, and farmers income affects members' commitment through satisfaction using the structural equation model, the results showed that members are more satisfied and less committed to their cooperatives. Age and motivation had negative influence, as this is contributed by the heterogeneity among members which negatively influenced their satisfaction and commitment. Also, leaders' lack of strong negotiation skills on the market leading to monopsony as highlighted above. Moreso, lack of understanding of the cooperative principles and governance influences members to be less committed.

On the other hand, members satisfaction was influenced by the evidence of trustworthiness and trusting each other as this build's confidence amongst the members. Also, the fact that members participated in decision making, opinions were considered, and other positive perceptions mentioned above offered them satisfaction in their cooperatives. Therefore, our results supported hypothesis mentioned above by previous studies that cooperative members have positive perceptions towards their leaders, and they proved to be satisfied to a greater extent although their commitment proved to be less to the cooperative.

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# 9 Appendices

List of the Appendices:

**Appendix 1: Questionnaire Survey** 

Appendix 2: Multifactor Leadership Questionnaire

# **Appendix 1: Questionnaire Surve**

# SECTION A: HOUSEHOLD CHARACTERISTICS

- 1. District
- 2. Ward Or village
- 3. Sex of the household member who is in the cooperative (1-Male, 2-Female)
- 4. Age of household member in the cooperative (Number of years)
- 5. Highest level of education of household member in the cooperative? (1-didn't go to school, 2-primary, 3 O' level, 4 A' level, 5 Tertiary)
- 6. Total years of farming experience? (Number of years)
- 7. How long have you been a member of the cooperative? (yrs.)

# **SECTION B: FARM ATTRIBUTES**

- 8. What is your main product? (1-Tea, 2- Milk dairy)
- 9. Number of cattle/cows owned (number)
- 10. What is your total land holding area of tea (in hectares)?
- 11. What is the distance from your farm to the cooperative centre/ meeting point (Km)

# SECTION C: ECONOMIC ATTRIBUTES

- 12. What is your total farm annual household income (USD)?
- 13. What is your annual off-farm income (USD)?
- 14. Estimate total value of your farm attributes assets (USD)

#### SECTION D: INCLUSIVITY OF COOPERATIVES

- 15. Is there any of your household members in leadership position of the cooperative?(1-Yes, 2-No)
- 16. Do you agree with this statement "I have the opportunity to participate in the decision-making process within our cooperative?" (1-Strongly disagree, 2-Partly disagree, 3-Neither agree nor disagree, 4-Partly Agree, 5- Strongly agree)

- Do you agree with this statement "My opinions are considered in the cooperative during meetings" (1-Strongly disagree, 2-Partly disagree, 3-Neither agree nor disagree, 4-Partly Agree, 5- Strongly agree)
- 18. Within your cooperative, who's decision is mostly recognized? (1-every member, 2-members with higher income, 3-members of old age, 4- members who have been in the group for long, 5- the leaders only)
- Do you agree that most people in your cooperative have trust in you? (1-Strongly disagree, 2-Partly disagree, 3-Neither agree nor disagree, 4-Partly Agree, 5-Strongly agree)
- 20. Do you agree that most people in your cooperative can be trusted (1-Strongly disagree, 2-Partly disagree, 3-Neither agree nor disagree, 4-Partly Agree, 5-Strongly agree)

# SECTION E: COMPETENCY AND SKILL

- 21. How are the leaders selected in your cooperative? (1- assets based, 2-Age, 3experience, 4-political affiliation, 5-influential, 6-Others) Multiple response more options are possible.
- 22. Does everyone have the opportunity/ potential to be a leader in your cooperative. (1-Strongly disagree, 2-Partly disagree, 3-Neither agree nor disagree, 4-Partly Agree, 5- Strongly agree)

## SKILLS

- 23. Rate your confidence in the skills of the leaders in coordinating group activities (Very poor -1, Poor-2, Fair-3, Good-4, Excellent-5)
- 24. Rate your confidence in the skills of the leaders in securing market for the group (Very poor -1, Poor-2, Fair-3, Good-4, Excellent-5)

### COMMITMENT

- 25. What is your major role in the cooperative? (1- member, 2-administration, 3- treasury, executive board member, group leader)
- 26. How many times do you go for the meetings in a quarter? (number) (1-frequently, if not always, 2-often, 3-sometimes, 4-once in a while, 5-not at all)

- 27. How many members do you cooperate with from the group? (1-all members, 2majority of members, 3-half of the members, 4-Some members, 5-none of them)
- 28. How often do you contribute during meetings in the cooperative? (1-frequently, if not always, 2-often, 3-sometimes, 4-once in a while, 5-not at all)
- 29. Are you willing to supply raw materials, capital, managerial inputs, and labour for the success of the cooperative? (1-Yes, 2-No)
- 30. Do you get any government or NGOs support in the cooperative which motivates you to be committed more like (markets, inputs, networking etc)? (1-Yes, 2-No)

Transformational         Leadership	Idealized Influence	The leaders instil a sense of confidence in those around them.	1-Not at all, 2-Once in a while, 3- Sometimes, 4- Often, 5- Frequently, If not always
		Others in the group trust the leadership completely.	
		Others feel honoured to follow the leader.	
		I feel confident to speak to cooperative leaders when I have a problem?	
	Inspirational Motivation	The leaders describe what the members could and should do in a few short sentences.	
		The leader presents inspiring examples of what the group can accomplish.	
		The leader assists others in discovering purpose in their work	
	Intellectual Stimulation	The leaders allow others to approach old problems in new fresh ways.	
		The leader offers others fresh perspectives on challenging situations.	
		The leader persuades people to reconsider things they had never considered before.	
	Individualised	The leaders support others' development and growth	
	Consideration	The leader provided feedback to his team regarding their performance.	
		The leader shows special consideration to those who appear to be rejected.	
Transactional Leadership	Contingent Reward	The leaders instruct others on what to accomplish to receive compensation for their effort.	
		When group members accomplish their objectives, the leader rewards them.	
		The leader emphasizes the rewards that others can receive for their efforts.	
	Management by Exception	When people adhere to the established norms, the leader is happy.	
		The leader doesn't change anything as long as it's working.	
		The leader explains to the group the requirements for performing each task.	
Laissez Faire	Laissez Faire	The leader is content to allow others to carry on with their routine tasks.	
		The leader is OK with whatever the group members want to do	
		The leader just requires what is absolutely necessary of others.	

# Appendix 2: Multifactor Leadership Questionnaire