

Determinants of Operational Sustainability of Agriculture Marketing Co-operatives in Kilimanjaro Region, Tanzania

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Abstract

Sustainability of Agriculture Marketing Co-operatives (AMCOS) has been an intricate issue that is debated day to day. This study assesses determinants of operational sustainability of AMCOS, specifically focused on operational model, member participation and the business environment. The theoretical framework of the paper was resource dependency theory. The sample size of the study was 400 owners (members and board members). Respondents selected from 8 primary AMCOS, 4 from poorly operational sustainably AMCOS and 4 from actively operational sustainably primary AMCOS. Questionnaires were administered to collect data. The questionnaire return rate were 288 (72%) respondents and since a response rate of 60 percent is good for data analysis and reporting and rate of 70 percent and overall is excellent, the 288 questionnaires were analyzed for this study. Quantitative approaches were deployed to analyze data involving descriptive and inferential statistics using SPSS 20th version. The test of multiple linear regression model assumptions shows fitting of model in all assumptions (linearity, normality, homoscedasticity, autocorrelation and Multicollinearity). Findings showed that operational model influenced operational sustainability by (0.120) while business environment changes influenced operational sustainability by (0.486) and lastly Members' participations influence the operational sustainability by (0.196). Therefore, it is worthwhile saying that business environment had a higher contribution on AMCOS sustainability by 48.6% followed by member participations by 19.6% while business operation model had a 12% of the contribution. The study recommends more education on the use of entrepreneurial model of operations than traditional model. AMCOS members have to be provided with more education and knowledge on the usefulness of being involved in decisions of a co-operative. Business environment requires the bigger consideration than operational model and member participation in the interventions for enhancing effects on the co-operatives sustainability. The focus on coping strategies on climate change remains important to ensure sustainability of AMCOS.

Keywords: sustainability, co-operatives, member, business, environment.

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