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Allies or Rivals? An Explorative Investigation of the Relationship between Primary Agricultural Marketing Co-operative Societies and Co-operative Unions in Tanzania

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Abstract

Agricultural co-operatives had once played a key role in transforming the livelihoods of their farmer members in Tanzania. The co-operatives were vibrant both at primary and union levels. Primaries manifested high level of commitment and accountability on unions operations. However, the commitment and accountability have over time blurred leading to the separate interests and operations. This paper explores how agricultural primary co-operatives manage accountability from co-operative unions and the challenges thereto. Whether there is still a mutual relationship between the two is a question of exploration. The paper utilises data collected through focus group discussions and key informative interviews. Purposive sampling was used to choose seventy-five board members from fifteen primary coffee co-operative societies based on their active participation in transacting products and services with three co-operative unions in Kilimanjaro and Kagera, Tanzania. Thematic content analysis was used to derive the results. The findings show that the level of primaries accountability to union is contemporarily low. This is due to insufficient capacity of primary co-operative representatives, losses from unions' business investment and overhang debts, leadership inexperience, information asymmetry among co-operatives actors' and rent-seeking behaviour. These constraints are found to reducing the primary co-operatives' discretionary power of holding co-operative unions accountable in Tanzania. The recommendations are twofold: First, the primary co-operative societies should prioritise the development of a strong, high-quality and transparent co-operative institutions that allows effective member participation and decision-making. Second, the findings accentuate the need for a deliberate integration of Information, Communication and Technology (ICT) with co-operatives architectures while emphasising the adherence to the co-operative principles by all co-operative actors.

Keywords: *Primary co-operatives, AMCOS, co-operative unions, accountability, integrated ICT solutions*

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1.0 Introduction

Worldwide, co-operatives were formed to carry out socio-economic functions aimed at transforming the livelihoods of their farmer members. The core functions of co-operatives have evolved with the historic definition of cooperation. According to the International Co-operative Alliance (ICA), a co-operative is an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly owned and democratically controlled enterprise (Rodgers, 2015).

The ideology of co-operatives is based on achieving economies of scale for economic players, especially in the context of limited resources in a rural development setup. Co-operatives in Africa once played an important role in strengthening agriculture by giving members- especially small-holder farmers access to cheaper farm inputs, market access and the power to negotiate good prices and rewards (Altman, 2015; Chaddad et al., 2005). Arguably, the development and expansion of agricultural co-operatives in Europe contributed to the growth of farmers' economy as a whole and were elegant in managing strong banking services and pooling together essential resources for the betterment of co-operative societies' members (Jones Jr & Thompson, 1982; Birchall, 1997; Kamenov, 2022).

The operations of co-operative societies are linked to the Co-operative Principles as formulated and promulgated by the International Co-operative Alliance (ICA)¹. The principle of cooperation among co-operatives calls for voluntary cooperation between co-operatives following either vertical or horizontal lines of thinking. Vertical cooperation is in the form of a union or apex (co-operative entity cooperating either with the upstream organ that supplies its inputs or with the downstream ones that use its inputs), whereas horizontal cooperation allows co-operatives to integrate with other institutions with similar interests (Wanyama et al., 2009; Halat et al., 2021). Tanzania's co-operative movement was influenced by British models, which promoted vertical integration. The vertical integration of co-operatives has three tiers: primary co-operatives, unions (secondary), and federations (Mchopa, 2020). In this structure, the primary co-operatives with similar activities integrate to form secondary co-operative societies/Unions such as the Kilimanjaro Native Co-operative Union (KNCU), Kagera Co-operative Union (KCU), and Karagwe District Co-operative Union (KDCU) just to mention a few. The purpose of integrating similar primary co-operatives into a co-operative union is to harness the joint effort in capturing market power.

The networking and mutual accountability between primary and secondary co-operatives are perceived to have had extended services that wouldn't be possible for individual primary co-operatives. Thus, the mutual relationship is paramount in improving the welfare function of co-operative members (MacPherson, 1995; Puri & Walsh, 2018; Gwiriri & Bennett, 2020). In the vertical integration model, the primary societies were at the bottom, while co-operatives (unions) and federations were at the middle and the apex respectively. However, each stage of integration was supported by a single co-operative law (Seimu, 2015). Subsequently, in their interactions with the government and authorities, secondary co-operatives also represent primary co-operatives as their external representatives (ICA, 2015).

The activities of co-operative societies in Tanzania are governed by the laws in place. For instance, the Tanzania Co-operative Societies Act of 1982 was passed in Tanzania because of the revival of the co-operative movement that was dissolved earlier in 1976. The Co-operative Societies Act of 1991, which gave co-operative members more autonomy, was passed because of the flaws in the 1982 Act. Due to

¹ (1) Voluntary and open membership (2) Democratic member control (3) Member economic control (4) Autonomy and independence (5) Education, training, and information, (6) cooperation among co-operation, and (7) Concern for the community.

the operations of the everchanging co-operatives, the Co-operative Societies Act No.20 of 2003 was enacted as a response to the Co-operative Development Policy of 2002. The Co-operative Societies Act No. 6 of 2013 and the Co-operative Societies Regulation of 2015 currently in operation govern Tanzania's co-operative sector. The Co-operative Societies Act No. 6 of 2013 specifies that the Tanzania Co-operative Development Commission's operations are managed by the Registrar of Co-operatives.

The Commission's mandate is to oversee the co-operative societies in the country. The Co-operative Societies Act, No. 6 of 2013, stipulates the objectives of the co-operative union including "to facilitate the operations of the primary societies; to provide services to the primary societies; collect, process and sell products of primary societies; provide consultancy and information of its undertaking to the primary co-operative societies". According to Seimu (2015), the marketing structure was vertically oriented to provide connectivity from growers to the export market. The mode of operation was that primary AMCOS collected crops from farmers and forwarded them to secondary societies for bulk export. It is a fact that, primary AMCOS as members of the union should be ready to collaborate with the Union to respond to the competitive environment (Shirima, 2022). Indeed, the model was designed to equip the primary AMCOS and secondary co-operatives with powers to hold each accountable.

There is a strand of literature focusing on the financial aspects of co-operatives (Martins et al., 2018; Mbugua & Waweru, 2020) and compliance issues (Mathuva Chong, 2018). In the same vein, other studies found that co-operative unions have compliance-based accountability challenges when attempting obligatory functions in the primary co-operative (Rwekaza et al., 2018; Rwekaza et al., 2020; Etefa, 2022). The term accountability has been explained in various contexts. In the context of co-operative unions' discretion, it may be referred to as social or strategic or rather compliance-based accountability (Ebrahim, 2016). The term strategic accountability entails a proactive rather than reactive approach, whereby an institution can opt to adopt discretionary or professional accountability practices (Ebrahim, 2016; Sumarwan et al., 2021).

From the theoretical perspective, the formal and informal relationship between an accountability holdee and an accountability holder in social economics is a matter of mutual concern. For the relationship to remain valid, collaborators must produce a collective account of the problem definitions that initiated the collaboration and the applied strategies for addressing the problems. A deliberate shift from the traditional hierarchical structure towards a decentralized one, flexible and more horizontal structure among others have been identified as successful ingredients of collaboration (Henneman et al., 1995). The horizontal structure nurtures the emergence of the fundamental elements for collaboration including shared decision-making and open/direct communication. In exercising an efficient collaboration among co-operative members, attributes of good governance structure such as upholding effective communications shared accountability, and diversity must be edged toward enhancing a high degree of organizational capacity. In this regard, factors affecting accountability in the context of good governance are presented in Table 1.

Table 1: Theoretical underpinnings of accountability

Category	Components	Description
Accountability for structure	Legal and regulatory framework (compliance issues)	Clarity of law and regulation; obligation of stakeholders to active participation; precise description of tasks and work process for stakeholders; direct and indirect control powers of stakeholders.

Category	Components	Description
	Institutional arrangement in co-operatives	Representativeness of stakeholders and expertise of stakeholders.
Accountability for process	Management performance	Evaluation of performance and feedback for performance by stakeholders and higher management and leaders.
	Rewards and incentive systems	The scope of the jointly achieved outcomes (profits, dividends) but subject to official criticism or recommendations for collaborative achievement.
		The positive or negative incentive for voluntary collaboration.

Adopted from (Kim & Lee 2004), cited in (Kamara, 2021 p.28)

The operation of co-operatives should be structured in such a way it ensures balanced stakeholders, equal participation of members, timely access to information, open and equal deliberations on owned assets as well as the gained profits. Arguably, upholding accountability among the co-operatives is "open dialogue for knowledge exchange, negotiations and methods of improvement". Purdy (2012) emphasized that "legal and systematic tools governing collaborative governance in the institution should be clear". Other researchers affirmed that collaborative governance entails an interactive system and process based on the principle of interdependence (Suh & Min, 2005). The aim is to promote individual liberty while maintaining accountability for collective decisions; advance political equality while educating participants (co-operative members) and foster understanding of competing interests.

The accountability of co-operatives increases if the decision-making process is transparent and democratic, while communication is active and reflects members' needs and demands. Emphasis is given "not only to the potential gains from the democratic nature of collaboration between unions and primary co-operatives but the ability of the process to produce more efficient and effective outcomes than the vertical decision-making of the self-bureaucrats"(see, Kamara, 2021). Thus, there is a need for role-players in institutional collaboration to be held accountable, especially on issues related to performance and behaviour (Klijn & Koppenjan, 2014; Kamara, 2021; Fourie & Malan, 2021) reward and incentive system (Kim et al., 2004; Chareonwongsak, 2017). Therefore, good governance models reinforcing both the co-operative identity and increasing the socio-economic benefits of the collaborating members are imperatives (Michaud & Audebrand, 2022).

Scholars have also pointed out that low adherence to good governance and transparent models has affected the expected benefits of co-operatives members (Mchopa, 2020). Integrating co-operatives members into digitalization and Fintech (Poli, 2019) is pertinent in reserving good governance in co-operatives practices. Applying ICT and innovations into co-operative business can promote the sustainability of the co-operative sector by ensuring knowledge sharing, accountability and awareness, e-administration, and equal participation (Chawviang & Kiattisin, 2022). While the application of ICT and innovations use is pertinent in transforming business growth, fostering certifications, expanding marketing, and enhancing competitive advantages (Achieng, 2021; Bernal-Jurado et al., 2021) the rate of adoptions among the primary co-operative societies is quite low or inexistent (Kesiz Abnoui et al., 2020).

Primary co-operative lag behind in the adoption of innovative strategies to monitor the accountability of the unions because of resource and institutional constraints and low support from the government (Njau et al., 2019; Zhang et al., 2021). As a result, effective operations, transparency, monitoring and control present additional constraints. The Co-operative Audit and Supervision Corporation (COASCO)-the auditors of co-operative societies in Tanzania, has reflected this. The audit report for the fiscal year 2021/2022 shows that only 8.51 per cent of the 47 unions audited obtained an unqualified opinion (United Republic of Tanzania (URT), 2022). The low percentage suggests that unions are mismanaged, lack transparency and inefficiency. This entails that primary co-operative societies members have played a minimal role in holding accountable the co-operative unions. In the same vein, the report shows that only 1.95 per cent of the 3848 audited primary co-operative societies received an unqualified opinion (clean report) suggesting a lack of commitment from the union and the primary societies' management. Asiones (2020) argued that although unions have systematically implemented programmes to suffice primary co-operative needs, fund challenges, quantity, and quality of their membership and their accountability to members need special policy attention.

Thus, the study's contribution to the knowledge is to trace how primary societies manage accountability of the co-operative unions and challenges thereto in the context of asymmetry information. Understanding the missing link is paramount as primary co-operative societies in developing countries play dual roles in fostering the socio-economic prosperity of the co-operative members (Lamichhane, 2018; Anania & Bee, 2018; Sultana et al., 2020). Nevertheless, in less restrictive compliance-based accountability, the goals of the primary societies may now and in the future be undermined and consequently affect the future growth of the unions. Therefore, this study explores the extent to which the primary co-operatives manage the co-operative unions to comply with the co-operative principles, accountability practices and challenges thereto following a comprehensive co-operative governance theoretical underpinning. Indeed, putting accountability at the centre is crucial for co-operatives' legitimacy, survival, growth, and sustained members' welfare. In theory, primary co-operatives are the principals as they create unions, and therefore, by extension, the unions are supposed to be the agents and thus accountable to the primary co-operatives. In a similar vein, unions and by extension, the federation(s) are established and required to do work as agents of the primary co-operatives (members). In this context, the union need to be accountable to their members. In Tanzania, however, the co-operative unions seem (and in practice, it is so), to own the primaries, instead of the other way round. This seems to be a policy issue rather than a structural question that needs a clear exploration.

2.0 Materials and Methods

A well-thought-out approach is employed to explore the discretionary power and challenges facing the primary co-operative societies in holding accountable the co-operative unions in Tanzania. This is because, with less restrictive rules, the dynamics of human behaviour tend to be complex by nature, especially when dealing with members' money (Gwiriri & Bennett, 2020). This necessitates the use of a qualitative approach to concurrently narrate what hinders the primary co-operatives in holding accountable the co-operative unions. Vasileiou et al. (2018) argued that a focused scientific sampling procedure (transparent, with enough sample size) and adherence to data protocol, must be followed to avoid biased findings.

In this paper, a purposive sampling procedure was used to select the co-operative unions working together with the primary co-operatives. The sample size was drawn from three co-operative Unions namely, Kilimanjaro Native Co-operative Union (KNCU) in Kilimanjaro, Kagera Co-operative Union (KCU), and Karagwe District Co-operative Union (KDCU) in Kagera. Specifically, information was collected from Siha, Hai, Bukoba, and Karagwe.

Though the aim was to collect data randomly, it was not possible because the collaboration between co-operative unions and primary co-operatives was minimal due to various reasons. For instance, during the pre-survey, it was established that some of the primary co-operative societies were dormant as far as the relationship with the union was concerned (members were not patronizing the union) due to dissatisfaction with the services offered by the union. This reinforces the use of purposive sampling. Specifically, leaders (chairpersons) of the primary co-operative societies were selected and interviewed regarding their engagement in collecting, marketing, and selling coffee directly on one hand, or the union was the one responsible for collecting, marketing, and selling coffee produce while taking into consideration the accountability challenges. The response from the leader was validated by the co-operative officer of the respective District. Therefore, from each union, five active members of primary co-operative societies (those patronizing the union) were purposely selected.

From each primary co-operative society, board members were selected as respondents on behalf of their members. The selected primary co-operatives had similarities and differences. Both participating primary co-operatives had strong linkages with the union. Such dependences were much observed in the provision of dividends, marketing services, training and extension services, production supervision services, and coffee production and supply of inputs. The convenient point of getting the respondents was during their scheduled meetings. Thus, data were collected through Focused Group Discussion (FDG). This was followed by conducting key informant interviews to get more insights from the representatives of the primary co-operative. This was done purposively after learning that some facial expressions of some of the members during the FDG beckoned dissatisfaction but feared to talk openly. Therefore, the identified members whose explanations could not come up clearly because of perceived fear were deliberately selected for the interview.

FGD and key informant interviews were conducted from May 2022 to September 2022. This was the period of coffee harvesting in the Kilimanjaro and Kagera regions. The information was collected using a semi-structured interview format and FGD. The FGDs were held in groups of five board members each and were recorded within 24 hours. Depending on the intricacy of the subject matter, the focus group may consist of a few individuals, ranging from four to twelve (Saunders et al. 2009). Thus, five focus group discussions of five board members each were conducted with five primary co-operatives that are members of KNCU, five primary co-operatives members from KCU, and five primary co-operatives members from KDCU.

Different interview guides were developed and used to assess the issues related to accountability between the primary co-operatives and co-operative unions. Interview questions were developed following the previous related literature on accountability and transparency of primary co-operatives and unions (Westwood, 2014). The following is a sample of the questions asked: What are the services provided by the union to the primary co-operative? Identify challenges affecting the accountability of the primary co-operatives to the co-operative union in Tanzania, what are the systems used by the union to provide dividends to the primary co-operatives and their challenges, what are the challenges facing the unions in service delivery to the primary co-operative? What are the available challenges hindering primary co-operatives to hold unions accountable? What are the recommendations?

The interviews took an average of 55 minutes and were conducted at the primary co-operative societies' offices because it was convenient for board members to meet. A field notebook was used to note the respondents' answers. Notes from the interview were transcribed within 24 hours after the interview to maintain the originality and credibility of the discussion (Vasileiou et al., 2018; Brod et al., 2009; Fieve & Chrysostome, 2022). The primary data were supplemented by the secondary data which were

collected from the coffee collection records, co-operative officers' inspection reports, annual reports, minutes of board meetings, and minutes of the Annual General Meetings (AGM).

The gathered information was analyzed using thematic qualitative techniques in which six stages were adequately followed (Braun & Clarke, 2006; Finlay, 2021). Such stages include: getting acquainted with the data was done by rereading the data from the transcript; generating the initial codes as per the theory; and searching themes whereby tabulation was used to come up with the initial emerging themes; The developed themes were refined to find out their commonalities and differences in the course of redefining and renaming the themes (Ponnam and Dawra, 2013) and finally, producing a report. We did both within-case analysis and cross-case analysis. Table 2 shows the result of the cross-case analysis.

3.0 Findings and Discussions

Table 2 provides an overview of the emerging elements that are significantly impeding primary co-operatives' ability to hold unions accountable in Tanzania.

Table 2 Elements Constraining Primary Co-operative to Hold Union Accountable

	Government interference	Sustainable income	Inadequate leaders' capacity	Information asymmetry	Debts	Losses from union investment	Leadership experience	Rent-seeking behaviour	Unsettled conflicts	Limited use of ICT
Ibosa	√		√	√	√		√	√	√	√
Itawa	√		√	√	√	√	√	√		√
Kagege	√	√	√	√	√		√	√		√
Maruku	√		√			√	√			
Kinyengereko	√		√	√		√	√	√	√	√
Kiruruma	√		√	√	√	√	√	√	√	√
Kamagambo	√	√	√	√	√	√	√	√		√
Nyakakika	√	√	√			√	√	√		
Iteera	√	√	√				√			√
Umoja	√		√				√	√		√
Mae	√		√	√	√	√	√	√		√
Kyengia	√		√	√	√	√	√			√
Lemira Muroma	√		√	√	√	√	√	√	√	√
Marukeni	√		√	√	√	√	√	√	√	√
Saawe	√		√		√	√	√	√		√

According to the study findings, primary co-operatives have inclusive and complementary accountability issues that hinder their proper function and prosperity. These issues are categorized into inadequate capacity of the representatives of primary co-operatives; Government interference; losses from the co-operative union's investment and overhang debts; leadership experience and asymmetry information; rent-seeking behaviour among co-operative actors and limited use of ICT. These are the identified key factors that undermined the power of the primary co-operatives to hold accountable the co-operative unions.

3.1 Inadequate capacity of the representatives of primary co-operatives

Theoretically, the union's bargaining power and its economies of scale are powered by the primary co-operatives. Thus, co-operative unions thrive well in the presence of powerful and well-coordinated primary co-operatives. This was a common feature in the post-1930s whereby coffee farmers flourished and prospered economically, socially, technologically, and even politically. The study findings show that leaders of the union are elected among the board members of the primary co-operatives. Also, the primary co-operatives appoint representatives to the union meetings.

One of the key factors influencing decision-making in co-operatives governance is the equal chance of representation. The absence of well-informed primary co-operative leaders and sometimes the presence of inadequate capacities of the primary co-operative representatives in the Union's Annual General Meeting (AGM) were consistently observed to undermine the co-operative members' decision-making, rights on investments, dividends distribution, and market access. For example, respondents commented that some board members do not have adequate knowledge of the operations of the union

A general observation from the FGD held in Karagwe is that most primary co-operatives' representatives in the unions' AGM have inadequate capacities to make inquiries about different affairs of their members

Likewise, it was reported that there is an unequal representation of the primary members to the union board which could also be aligned with the exclusion of members with adequate skills.

The union board members are elected based on the proportion of some primary co-operative societies in the zones. Thus, it is difficult for the zones with few primary co-operative societies to become leaders of the union. For instance, it is difficult for the chairperson of the union to be chosen from our district (Siha district) because of the few primary co-operatives (FGD from primary co-operative society BA in Siha).

Low level of education and inadequate training (empowerment) on financial literacy among the primary co-operatives representatives have limited their ability to question and hold accountable the unions' leaders and management on matters of their welfare. Union By-law requires that all the financial statements of the union be presented in the AGM for members to interpret, analyze and make decisions. Arguably, the inability of the primary co-operative to understand and interpret the financial statements presented in the AGM by the union's leaders has exposed them to a less friendly environment (vulnerable) for enforcing the right decisions. It is a fact that the ability to understand a financial statement is the function of professionalism, analytical skills, ethics, standards, and codes of conduct. One of the participants in FGD in Karagwe attested, by saying:

“Most of the primary co-operative societies' representatives in AGM do not have skills to analyze and interpret the financial statements. This impaired the capability of the primary co-operative societies to hold accountable the leaders and management of the union (FGD from primary co-operative society AD in Karagwe).

3.2 Government interference

Theoretically, an adverse outcome is likely to be realized when one party (Union) is well-informed about its investment projects while the other party (primary co-operative) is not informed. In his influential paper, Akerlof (1978) termed it as the market for lemon. Supporting this claim (Gwiriri and Bennett,

2020) found that representatives of the primary co-operatives were less accountable to members due to limited information hence, leading to disburse benefits suiting their vested interest.

Nevertheless, interventions that are not keen on asymmetric information may lead to a sub-optimal outcome. Corroborating this finding (Kassanga & Jovin, 2021) asserted that existing government regulations and restrictions constitute major challenges to the coffee trade. The sub-optimal outcome was experienced in the coffee industry in the early 1990s when markets were largely liberalized (Kelly et al., 2003). At that time, the bureaucratic leaders maximized their self-interest by taking advantage of the co-operative members' illiteracy, their low participation and limited knowledge on the ethics of financial statements (Brandão & Breitenbach, 2019; Mchopa, 2020).

Also, vertical integration was created in a way that gave the government the ability to step in and take control of co-operatives activities. It is a fact that crop marketing boards interfere marketing of crop on behalf of the government (Seimu, 2015). Findings show that the government through the Tanzania Coffee Board (TCB) has interfered (providing directives) to the coffee industry though with mixed complexity in targeting co-operative members' welfare. This assertion was firmly lamented upon by one of the members of FGD.

The issued directives from the government (agency) interfered with the operational procedures of coffee production, processing, storage, distribution, and sales. Such directives were not optimal as they affected the well-established models of operations by the unions and the primary co-operatives. Nevertheless, such directives also undermined the sustainability of the income of the primary co-operatives which in turn reduced their discretionary power to the unions (FGD from primary co-operative society BC in Hai).

3.3 Loses from unions' investment and overhang debts

The findings show that the co-operative unions have been realizing losses from their investment. Nevertheless, information about revenue collected, debts incurred and rationale for distributing or not distributing dividends were not transparent/exposed to the primary AMCOS who are owners (see, Thuronyi & Brooks, 2016; Rwekaza, 2021). With these uncertainties and accountability challenges, the primary AMCOS hesitated to sell their coffee to the unions consequently, reducing their discretionary power to the unions. In one such FDG, it was revealed that:

The revenue and profit of the union are not known and have not been shared with the primary co-operative. Co-operative officers are the ones killing the co-operative sector as they collude with the elected primary co-operative boards and union leaders, especially in areas where frequent inspection is missing (FGD from primary co-operative society AD in Kyerwa).

This was also confirmed by a primary co-operative societies board member from Siha who said:

We are not aware of the assets/investments owned by the union. The Union sold some assets without the consent of the AGM (FGD from primary co-operative society BB in Siha).

The union board and management are vested with the power of making some decisions like hiring or renting buildings without involving the co-operative societies members. Surprisingly, primary AMCOS don't get any profit from union investments since they normally report the loss.

How can we make union leaders and management accountable when they cannot even pay our bus fare and allowances when attending the AGM? Or while they cannot pay debts owed by the primary co-operative society (FGD from primary co-operative society AG in Bukoba).

Interestingly, the leaders of the Unions have not taken enough initiative to share the by-laws with the primary AMCOS; a strategy to deter members from questioning their self-interest. In some circumstances, primary AMCOS are not aware of the union resolutions and decisions made without their consent.

3.4 Leadership experience and asymmetry information among primary AMCOS

Leadership experience in primary AMCOS is a prerequisite criterion for holding union leaders and management accountable. Study findings show that representatives from the primary co-operatives in board meetings were new and had inadequate financial literacy. Also, they had little experience and were not well-informed about pertinent issues related to members' rights. Nevertheless, the AGM minutes and agenda were not given in advance for them to deliberate with the other experienced members. In such circumstances, it was merely difficult for them to make the unions accountable while making decisions on behalf of the co-operative members. This could also be explained by the board members and the majority co-operative representatives' poor familiarity with the union's operations and their membership rights. This implies that because union members and some AMCOS leaders are not held fully accountable, misconduct may be encouraged.

A similar argument was made by Davis (2006), that most small co-operatives missed the opportunity to utilise and transform the development of their members because they were not exposed to basic personnel skills. Poor leadership management skills and inadequate service delivery are some of the identified factors that restricted young and energetic professional youth and women and even committed members to abandoning the co-operatives (Develtere et al., 2008). Theft/fraud or mismanagement of the co-operatives' members' properties by the Kleptocrats had also consistently undermined/limited the revolutionary and accountable leadership in primary co-operatives operations (Ekhorutomwen & Peters, 2021).

3.5 Rent-seeking behaviour among co-operative actors

The dark side of the primary co-operative societies' representatives becomes a golden opportunity for the union leader's management by maximizing their interest rather than the social welfare of their members. Simply, corruption within the unions had forced the primary co-operative societies to take an alternative path of selling coffee directly to the auction and in foreign markets. The study findings show that a lack of transparency between the union and primary co-operative societies has been giving room to the elected primary co-operative society leaders to collude with union leaders and misuse the union funds and assets. This has led some of the primary co-operatives to opt not to collaborate with the union. In line with this, Rwekaza et al. (2020) stated that non-participation of primary co-operatives forced the unions to develop alternative strategies for survival. However, the unions have not benefited from the opted strategies because they diverged from the core business of collecting, processing, and marketing coffee produced by primary co-operatives, (URT, 2022).

3.6 Limited use of ICT

The revolution and the speed of using information, communication and technology in sharing data either via mobile phones or the internet is imperative in any modern co-operative setup. However, the installation and use of ICT systems that are accessible by the representatives of primary co-operatives are limited or nonexistent. The use of ICT can improve information sharing and transparency and foster participation in decision-making between the primary co-operatives and co-operative unions. This was affirmed in one of the FDGs whereby one respondent said:

Although we don't, have a computer in our society, the union could send the reports through our mobile phones. In that way, we will be able to share with other board members and have resolutions as a society. But as of now, it is difficult (FGD from primary co-operative society AI in Muleba).

Taking the interest of the members at the centre in the context of ICT is possible even at the infant stage by using the mobile network that is available in most places in the country. For instance, the representative of the primary co-operatives can receive financial reports, up-to-date market information, and new agricultural innovations from co-operative unions through an integrated accountability framework. Such improvement could provide competitive advantages to the primary co-operatives by increasing sustainable coffee production following public policies that guarantee the performance of digital connectivity, training in digital skills and the promotion of co-operative integration processes (Jorge-Vázquez et al., 2021). This claim was also supported by Chieochan et al., (2000) that the use of ICT (mobile phones and other types of communication (e.g., computers) assured accountability and was beneficial to co-operative members.

44.0 Conclusions and Recommendations

4.1 Conclusion

A thematic analysis was used to explore how primary co-operative managed accountability to the co-operative unions and the challenges thereto. The findings show that AMCOS and unions had once enjoyed a mutual beneficial relationship from 1930's till the end of the 20th century. Since then, accountability practices have been extremely low leading to fragmentation of the mutual benefits among co-operatives. The study findings reveal that insufficient capacity of primary co-operative representatives, losses from unions' business investment and overhang debts, leadership inexperience, information asymmetry among co-operatives actors' and rent-seeking behaviour are the leading factors reducing primary co-operatives' discretionary power to hold co-operative unions accountable in Tanzania.

4.2 Recommendations

Based on the study findings, the following are the emerging recommendations. Foremost, it is the recommendation of this study that primary co-operative societies should prioritize the development of a strong, high-quality and transparent co-operative institutions that allows effective member participation and decision-making. To achieve this, Unions should widen transparency and honour common understanding among the primary societies in all investment-related projects and other members' rights. In addition, there should be transparency through meetings where Union AGM minutes should be distributed early to the primary co-operative representatives for them to be aware of the agenda and other specific issues. Moreover, looking at the findings, there is a need for deliberate training regarding adherence to the co-operative principles by all co-operative actors. For instance, the Union in collaboration with relevant training institutions should strengthen the capacity building of the board members of primary AMCOS and union for them to understand the ethics and standards of operating co-operatives. Besides, cooperative regulatory authorities should intervene only when the cost of intervention is less than the members' social benefits and when weaknesses and fraud issues are detected. There should be, also, a proportionate representation of elected board members from each zone/district and each Rural Co-operative Societies (RCS) must have a representative in the union's AGM. Finally, for the co-operative to regain its earlier achievement, intensive training on financial literacy and embracing the best practice of integrating Information and Communication Technology (ICT) with all activities of the co-operatives must be given priority by the co-operative's actors.

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