

**Downturn of Co-operative Sustainability in East Africa
Insights into Governance and Management Missteps**

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Abstract

There is no doubt that co-operatives are crucial instruments in socio-economic development. However, the sustainability of these co-operatives in the East African region is questionable regardless of the form and type. This paper investigates the downfalls of co-operatives, specifically, it determines the most volatile co-operatives on sustainability and examines how government and management have led to a decline in the sustainability of the co-operatives. It examines phenotypical factors for the downfall of the co-operatives. Using a mixed-methods approach, including case studies and interviews with key stakeholders, the study identifies critical issues in governance structures, management practices, and external influences. The findings reveal that inadequate leadership, poor decision-making, and lack of adherence to best practices have significantly compromised co-operative performance. The paper further found that external factors such as economic instability and insufficient policy support have intensified the unsatisfying level of co-operative sustainability in East Africa. Therefore, revitalizing co-operatives requires addressing both internal governance and external support issues. The new pathway is to foster the adoption of robust governance frameworks, enhancing managerial training, and securing more substantial backing from governmental and financial institutions. Co-operative leaders, and development agencies, offering a roadmap for improving co-operative sustainability should enhance policy that cultivates professionalism in co-operative governance. Strengthening cooperative resilience and effectiveness in the region should be on the top agenda of all responsible ministries.

Keywords: Co-operatives, Sustainability, Governance, Management, Leadership