

PERCEIVED INFLUENCE OF LEADERSHIP ROLES ON PERFORMANCE OF SOCIETIES IN OTHAYA AND MUKURWEINI SUBCOUNTIES OF NYERI COUNTY IN KENYA

BY

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DECLARATION

This thesis has not been previously submitted for a degree or diploma in any university.				
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DEDICATION

To God Almighty for who He is, in my life and to my husband, Paul, our Children, Jimmy, Nancy, Sylvia, Charles and Margaret.

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I am grateful to God for giving me the opportunity to learn and to contribute to knowledge, His great favour for good health, strength, provision and guidance.

I wish to extend my deepest gratitude to my family, my husband and children for their moral support, encouragement, words of wisdom and for believing in me. God bless you all.

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LIST OF ACRONYMS

ICA – International Co-operative alliance

FCS - Farmers' Co-operative Society

KNBS - Kenya National Bureau of Statistics

NGO - Non Governmental Organisation

SCAA - Specialty Coffee Association of America

SCIP 1 - Smallholder Coffee Improvement Program

SCIP 11 - Second Coffee Improvement Program

SPSS - Statistical Package for social sciences

DEFINITION OF TERMS

Co-operative

An autonomous association of people united voluntarily to meet their common economic, social and cultural needs and aspirations through jointly and democratically controlled enterprise

Leadership

A process that requires demonstrated ability and will to influence followers in identifying, articulating, strategizing and actualizing shared objectives. It is interactive and has reciprocal relationship between the leaders and followers.

Co-operative roles

Mutual trust and cooperation characterized by building effective relationships; characterised by loyalty)

Social justice and morality- fairness, proper administration of laws, upholding co-operative principles, values, equal treatment of people

Collective learning-. Sharing of information, training, involvement in interpretation of financial statements, approval of budgets, and exposure to best practices.

Developing and empowering people - impacting knowledge, communication, facilitate decision making, motivation, and effective participation

ABSTRACT

Leadership plays a key role in the performance of an organization. The need for effective leadership in Kenya's coffee industry, is important specifically in ensuring that institutions for farmers such as co-operative societies accrue benefits to members and to the country at large. This is because coffee plays a significant role in Kenya's economy through its contribution to foreign exchange earnings, family farm incomes, employment creation and food security. The smallholder coffee farmers' rely on cooperative societies due to the advantage of economies of scale to market their coffee. There has been a general perception from the public that co-operatives are poorly managed, and lack transparency and accountability. Numerous challenges have been cited such as poor payments to farmers, disillusionment of farmers and subsequent abandonment of coffee farming and signal poor performance in Kenya's coffee industry. This study used a mixed methods approach to determine the perceived influence of leadership roles on performance of coffee co-operative societies in Othaya and Mukurweini Sub-counties of Nyeri County in Kenya. The aim was to explore how respondents perceived leadership roles namely: building mutual trust and co-operation, ensuring social justice and morality, encouraging collective learning and developing and empowering people, influenced performance in co-operative societies. Information was gathered from five cooperative societies and a sample of 371 respondents using questionnaires distributed to the respondents and semi-structured interviews carried out with five secretary Managers. The results were analysed through a thematic and regression for both qualitative and quantitative data respectively. The results from the analysis revealed that the four roles were perceived to have positive influence on performance of co-operative societies with mutual trust and co-operation, and collective learning having significant influence compared to social justice and molarity and developing and empowering people. The expectations from the respondents were contrary to the real situation on the ground of poor performance, identifying a research gap that needed to be investigated. The results were discussed in light of future needs for leadership research, and in determining the changes necessary for leaders and members to develop desirable changes in organizational performance.

CHAPTER ONE

INTRODUCTION AND BACKGROUND TO THE STUDY

Introduction.

Leadership plays a significant role in the performance of coffee co-operative societies. Maxwell (2002) alludes that, everything rises and falls on leadership. The followers' have expectations and they evaluate leadership performance based on their understanding of leadership roles and the influence the roles have on performance. The research was an exploratory study to determine the perceived influence of leadership roles on performance of societies in Othaya and Mukurweini Sub-counties of Nyeri County in Kenya. This chapter gives the background for information that led to the study, the statement of the problem, objectives of the study, research questions, assumptions of the study, and justification of the study, significance of the study, scope of study, limitations and delimitations.

Background to the Study

Coffee plays a key role in Kenya's economy through its contribution to foreign exchange earnings, family farm incomes, employment creation and food security (Nyoro, 2002). Over 60% of the production is grown by small scale farmers who market their coffee through their co-operative societies taking advantage of economies of scale (Kegode, 2005). Coffee is one of the most widely traded agricultural commodities in the world market, traded in nearly 60 countries, (World Bank Report, 2004). It was first planted in Kenya in 1893 in Taita Hills and was reserved for Europeans until 1930s, when the privilege was extended to Africans in Kisii and Meru on experimental basis, Coffee Board Strategic Plan Report (2016).

Kenya produces one of the finest coffees in the world market, mostly used for blending other inferior coffees from other origins. It fetches premium prices both at the local auction and in the international market, (Nyoro, 2002), and this should be a reason for farmers to be motivated and to increase production and quality of their coffee for better earnings. There has been a general perception from the public that co-operatives countrywide are poorly managed, they lack transparency and accountability leading to poor payments to farmers, abandonment of coffee farming and a general decline in coffee production from an average of 20kgs per tree in 1988/89 to the current 0.5 to 2kgs per tree, (Presidential Taskforce Report, 2016).

Presently, coffee is grown in 31 counties by 2 distinct categories of farmers; smallholders and plantations. According to Coffee Directorate records, there are 700,000 smallholders organized into cooperatives, and 4,000 estate farmers and the sub-sector supports approximately 5 million people through forward and backward linkages. The production of coffee during Kenya's independence in 1963 was 43,778 Metric Tonnes (MT) and it substantially increased to a high of 128,926 MT in year 1987/1988, Kenya National Bureau of Statistics (KNBS) (2016). Following the collapse of International Coffee Agreement (ICO) in 1989, production of coffee went into a steady decline, to 32,216 metric tons in 2015 (KNBS Report, 2016). This was compounded by other key challenges including, low prices, mismanagement of cooperatives, competition with other crops and housing.

The Co-operative leadership plays a key role in the production and marketing of coffee in Kenya. Farmers deliver their coffee to the societies for primary processing and subsequent marketing. The farmers entrust their coffee fully to the leadership for handling, quality assurance, better prices and favourable net payment rates.

Leadership is responsible for management and governance of co-operative societies to ensure they provide positive results to their stakeholders. Leadership has been defined by many authors; Kadalie (2006), has described leadership as the capacity and will to rally men and women to a common purpose, and the character which inspires confidence.

A co-operative has been described as an autonomous association of persons united voluntarily to meet their common economic, social and cultural needs and aspirations through jointly and democratically controlled enterprise (International Cooperative Alliance, 2015; Guidance Notes to the Co-operative Principles): - ICA was established in 1895 and it is the apex organization for Co-operatives worldwide). By this description, Co-operatives are instruments of social justice and they are an important means to empower the least privileged persons to achieve economic security and a better quality of life. According to the World Co-operative Monitor Report (2015), the cooperative model has been adopted and has become an inspiration to over 3 billion people around the world, and it dates back to 1844 in England when the pioneer cooperative members of Rochdale society developed the idea of people working together to address common issues. The economic issues of 1844 are similar to those in developing countries and less developed economies today, (Gutema, 2014). Rochdale solutions are applicable to the modern idea of sustainable development and they represent development in long term interests of people and countries showing a vision of participation in social change, (Gutema, 2014).

The ICA guidelines have provided seven principles that guide all Co-operatives worldwide whose aim is to help co-operators run their Co-operatives more efficiently and effectively. They include; Voluntary and open membership; Democratic member control; Economic participation by members; Autonomy and independence; Education,

training and information; Co-operation among Co-operatives and Concern for Community. The principles safeguard the interests of all stakeholders by ensuring that member recruitments are done without political, religious, ethnic, gender or social discrimination, members have equal voting rights on the basis of one member one vote, they contribute equitably to the capital of the Society and share equally results of its operations. The leadership fosters collective learning through education programs for members, leaders, staff and the community and they actively co-operate with other cooperatives locally, regionally, nationally and internationally. In addition to the above principles, cooperatives are supposed to uphold the following values: Self-help, Self-responsibility, Democracy, Equality, Equity, and Solidarity, (Co-operative Societies Act, 2004). As per International Co-operative Alliance (ICA) guidelines, the ethical values that leaders are expected to embrace include; Honesty, Openness, Social responsibility and caring for others.

The autonomy and independence allows the Society to operate on mutually acceptable terms with its stakeholders and this principle gives the leadership the authority to independently manage the affairs of the society. Co-operative leaders also deal with problems stemming from the co-operative distinctive characteristics. The co-operative members are both owners and patrons and special relationship and problems arise concerning members and board of directors' role and responsibilities.

The society leadership like in any other organisation is involved in planning, organizing, controlling and motivating. Good governance and management of societies leads to profitability, good payments to members, satisfied farmers and employees. The ability of the leadership to deliver and to satisfy stakeholders' expectations depends on

how well the leaders appreciate and play their roles. Skills and competencies are necessary for effective value based leadership. The leaders should have a good perspective and knowledge of co-operative principles, ability to make the right decisions in a complex and competitive coffee business.

Coffee is prone to systemic risk and price shocks occasioned by global supply chains. Lack of a price stability mechanism in the coffee sector contributes to unsustainable and unpredictable coffee prices and hence the need for good knowledge of coffee trends in the world market, pricing mechanisms, relationship management both with followers and buyers, and good cost management.

Good performance builds trust and co-operation. Followers learn to trust the leadership, they are loyal; they work together and listen to one another building effective relationships. Good governance promotes social justice and morality, fairness with equal treatment for followers, ethical considerations including compliance to set standards. Good leadership encourages and facilitates collective learning, sharing of information, training, involvement in preparation and interpretation of financial statements, discussion and approval of budgets, sharing ideas and exposure to societies with best practices. Good leadership develops and empowers people.

The key leadership roles in a society considered in this study include; building mutual trust and cooperation; promoting social justice and morality; encouraging and facilitating collective learning; developing and empowering people and these formed the independent variables for the study and the dependent variable was performance of coffee cooperatives in the selected societies.

Statement of the Problem and Justification of the study

There has been a general perception from the public that co-operatives are poorly managed, they lack transparency and accountability leading to poor payments to farmers, abandonment of coffee farming and a general decline in coffee production. According to the Presidential Taskforce Report, (2016), production has declined from an average of 20kgs per tree in 1988/89 to the current 0.5 to 2kgs per tree.

Nyeri is one of the thirty one counties that produce coffee in Kenya and it produces the best quality coffee in the country and globally. It has 23 coffee marketing cooperative societies that earned Ksh.2.4 billion in 2016 out of which 1.41 billion was paid to members, (Kiura and Shavulimo, 2016). According to the Specialty Coffee Association of America (SCAA) Report (2016), seven factories ranked among the world's best specialty coffee producers from Kenya, 3 coffee factories were from Nyeri County namely: Gatomboya, Ichamama and Karindundu. Despite the good performance cited in the world coffee sector reports, farmers in some societies in Nyeri County still complain of low and delayed payments. It is against this background that Nyeri was chosen for the study.

Leadership plays a key role in the performance of co-operative societies. Leadership in most cases has been examined from an organisation's performance perspective and not from a values-based assessment where followers rate their perceptions of values shown in the leaders' role performance. This is a gap that needs to be investigated and the purpose of the study was to investigate how perceived leadership roles influence performance of coffee Co-operative societies with reference to societies in Othaya and Mukurweini sub-counties of Nyeri County. Studies on leadership performance have focused more on tasks and management of co-operative

societies, evaluating leadership's performance in terms of profitability, net payments to members and productivity among others. Little has been done to listen to the people on what they expect from their leaders to achieve desired performance, and their opinion counts. This is a problem that needs to be addressed and the study is justified. To appreciate the followers' perceived influence of leadership roles on performance, is important for the leadership to develop strategies that foster a value based culture and to safeguard the interests of the members.

Objectives of the Study

The main objective of the study was to explore the perceived influence of leadership roles on performance of coffee societies based on respondents understanding of the roles.

The specific objective of the study were to: -

- i. Determine the significance of perceived influence of building mutual trust and cooperation in performance of coffee co-operative societies
- ii. Explore to what extent encouraging and facilitating social justice and morality is perceived to influence performance of coffee co-operative societies
- iii. Evaluate the to what extent collective learning is perceived to influence performance of coffee co-operative societies
- iv. Determine to what extent developing people and empowerment is perceived to influence the performance of coffee cooperatives societies

Research Questions

The study was guided by the following questions: -

- i. To what extent is building mutual trust and cooperation perceived to influence performance of coffee co-operative societies?
- ii. To what extent is encouraging and facilitating social justice and morality perceived to influence the performance of coffee co-operative societies?
- iii. How is collective learning perceived to influence performance of coffee cooperative societies?
- iv. To what extent is developing people and empowerment perceived to influence the performance of coffee cooperatives societies?

Assumptions of the Study

The study assumed that the respondents were knowledgeable enough to understand the purpose of the study and they had the ability and will to answer the questions in the questionnaires correctly. It also assumed that the time would be adequate for the respondents to fill all the necessary details.

Significance of the Study

Creswell (2014) has alluded that findings of research are of great significance to different audiences. This research will add knowledge to researchers with interest of understanding performance from followers' perceived influence of leadership roles. In will inform the general membership, on the need to have qualified leadership who deliver results. It will inform co-operative management committees and employees the expectations of followers and the importance of understanding and adhering to the co-operative principles, having the right attitudes towards responsibility that gives positive results, having the right skills and competences that foster effective and efficient management of societies leading to good performance. The National and County Governments, to develop measures that

build leadership capacity. Provide guidelines on skills and knowledge requirements for institutions that deal with complex export business.

Scope of the Study

This study focused on five coffee farmer's cooperative societies in Othaya and Mukurweini sub counties in Nyeri County. It was noted that coffee cooperative leaders in all co-operative societies were bound by the same principles and were expected to practice same cooperative values across the board while managing affairs of cooperative societies. Due to the homogeneity of leadership attributes that contributed in shaping leadership roles within coffee co-operatives in Nyeri County, the study narrowed down to five societies from two different sub- counties. The selected five units translated to about 25% of the total number of 23 coffee cooperatives registered in Nyeri County. The respondents included; Management Committee members, Secretary Managers, Supervisory committee members and farmers. The participants selected were all active members of Coffee Societies in the area of study; there was recognition of diversity and inclusiveness within the target population in terms of hierarchy (position in leadership), age, and gender.

Delimitation and Limitation of the Study

The study used completion of questionnaires by respondents and the researcher was not present to interpret the contents, to ask questions or to get clarification if needed. Some respondents were unwilling to give information if they perceived the information would be used against them negatively for example, on taxation, or for anticorruption investigations.

Chapter Summary

This chapter covered the background for the study, the problem statement and the research gap, the objective of the study and the research questions. The researcher's thinking focused more on people than on tasks and management, how they felt, their expectations from the leadership. The key leadership roles that formed the independent variables were discussed, the objectives and the research questions were to guide the study and the findings will add knowledge to different audience including researchers, members, leaders, Governments and policy makers. Identified gaps from the study will form a basis for future Research.

CHAPTER TWO

LITERATURE REVIEW

Introduction

The literature review purpose is to examine the corpus of theory that has accumulated in regard to an issue. The theoretical literature review helps to establish what theories already exist, the relationships between them, to what degree the existing theories have been investigated, and to develop new questions or hypotheses to be tested, (Cresswell, 2014). The review captures, evaluates, and summarizes the literature. This chapter covers theoretical discussions, empirical review, and conceptual framework.

Theoretical Framework

A Theoretical framework is a collection of interrelated ideas based on theories. It is a reasoned set of prepositions, which are derived from and supported by data or evidence used in a specific field of study, (Kombo and Tromp, 2014). According to the Management Division, Agricultural Cooperative Service, U.S. Department of Agriculture, (ACS Service Report 18, July 1987), the Cooperative Economic Theory borrowed heavily from the Economic Theory and it has evolved over time due to significant changes occurring in the size, complexity, and direction of the cooperative business institution itself. The Economic Theory of Cooperatives as mentioned by (Faulkner and DeRond, 2002) explains how members, directors, and employees behave and achieve given assumptions about their objectives and resources. Other relevant theories that focus on the role of leaders in business performance include:

Contingency Theory

Contingency theory by Fiedler (1964) proposes that success of a leader depends on the interaction between the characteristics of the situation and characteristics of the leader. The theory says that best practices depend on the contingencies of the situation and favourability depends on the leader and member relations reflecting how a leader gets along well with subordinates, being more favourable when they get along and conversely less favourable when the relationship is poor; the task structure that reflects whether the subordinates are working on a task that is straightforward and structured.

Situational Leadership Theory

The Situational Leadership theory by Hersey and Blanchard (1993), identified a three-dimensional approach for assessing leadership effectiveness: Leaders exhibit task behaviour (the extent to which leaders are likely to organize and define the roles of followers and direct the work) and relationship behaviour (the extent to which leaders are likely to be supportive, and encouraging). The effectiveness of the leader depends on how his or her leadership style interrelates with the situation. The willingness and ability (readiness) of an employee to do a particular task is an important situational factor. This approach is easy to understand, offers suggestions and shows leaders what to do and when to do it. It focuses on the need for adaptability.

Transformational Leadership Theory

According to Bass (1995), transformational leadership occurs when a leader transforms, or changes, his or her followers in three important ways that together result in followers trusting the leader, performing behaviours that contribute to the achievement of organizational goals and being motivated to perform at a high level.

Transformational leaders: Increase subordinates' awareness of the importance of their tasks and the importance of performing well. Make subordinates aware of their needs for personal growth, development, and accomplishment. They motivate their subordinates to work for the good of the organization rather than exclusively for their own personal gain or benefit. Building on Bass's contributions, (Tichy and Devanna 1986), mentioned the characteristics of transformational leaders as people who identify themselves as change agents, they are courageous individuals and they believe in people. They are value-driven and they are lifelong learners. They have the ability to deal with complexity and they are visionary. These are leaders who have the capacity and will to exercise their roles and to influence performance of their institutions positively. This study was also based on the on the following concepts:-

Mutual Trust and Cooperation Concept.

Trust is a critical link to all good relationships, both personal and professional. According to Mayers, Davis, and Schooman (1995), trust is a primary factor in how people work together, listen to one another, and build effective relationships. The management committees are granted powers by the Cooperative Societies Act (2004) to direct the affairs of the society subject to the directions of the general meeting. Gary and Yukl (2006) allude that in order for leadership to foster mutual trust, the leaders need to have the skills and competencies that influence others to understand and agree what needs to be done and how to do it, and the process of facilitating individual and collective efforts to accomplish shared objectives.

ABCD Trust Model

The ABC Trust model associated with Conley and Witt (2011) is relevant to this study because it emphasizes on four elements of trust (Able, Believable, Connected, and Dependable) that leaders need to be aware of when looking at building or restoring trust with the people they lead. Able is demonstrating competence described by expertise, performance results, and facilitation skills. Ability is that group of skills, competencies, and characteristics that enable the leadership to have influence within some specific domain, Mayers et al (1995). Believable means integrity and leaders have to be honest in their dealings with people, creating and following fair processes so that people feel they are treated equitably. This promotes social justice and molarity. For people to believe in a leader, the leaders should have some basic attributes that include and not limited to the following; personal integrity, values, morality, behaviour, credibility and substitution of activity for quality life and godliness (Kadalie, 2006). Connected- is about demonstrating care and concern for other people, focusing on people, identifying their needs, supported by good communication, collective learning and recognizing the need to share information about the organization and about them. This also motivates the employees and it enhances their performance. Their improved performance is reflected in the way they handle farmers leading to satisfied farmers. Dependable is about reliably, leaders being accountable for their actions, responsive to the needs of others and being organized and predictable (Conley & Witt, 2011). The current study used the ABCD model to investigate the perceived influence of leadership roles as relates to mutual trust, social justice and molarity, people empowerment and collective learning and to establish if these variables had significant influence in performance of the societies.

Examples of studies done on performance of co-operatives.

Gutema (2014) in his study on the role of leadership on agricultural cooperatives performance: a case study of selected coffee farmers' cooperatives in Ethiopia; concluded that leaders who are most effective at business performances were those who utilized leadership behaviour and the skills and trainings required in the cooperatives business organizations. His study indicated that the role of leadership was directly and positively related with cooperatives business performance, His study also encouraged further, comprehensive research focusing on the interconnection between the role of leadership, education and skills of leaders, financial management knowledge and decision making competency.

Baka (2013) in his study on, the challenges facing co-operative societies in Kenya, with reference to leadership of the Kenya Planters Co-operative Union (KPCU) noted that co-operative societies were important because they support members in accessing affordable financial credit and investment advisory services. He noted that co-operative societies suffered common problems including; weak legislation, poor financial management, leadership, governance and political interference. Cases of corruption by officials, and split of viable co-operatives into smaller ineffectual units were common. He recommended a further study to address challenges identified as major causes of non- performance of co-operative societies including financial management and positive political support, challenges of competencies to facilitate better role management that could yield good performance.

Kiura and Shavulimo, (2016) in their study on- Entrepreneurial Factors that influence performance of coffee co-operative societies observed that the problems facing coffee marketing cooperatives included hawking of cherry by co-operative

members, theft of coffee parchment in factories, low production of less than 3 Kgs per tree, failure for farmers to get farm inputs in good time, inadequate and affordable credit facilities by societies', unpredictable coffee prices in world markets, and slow adaptation of information technology. These challenges as mentioned in their study were attributed to the leadership failure in exercising their roles of being proactive, abuse of trust, poor risk management, and lack of innovation among other factors.

Vorlaufer, Wollni and Mithöfer, (2012) in their study on determinants and impacts of free-riding in coffee co-operatives in Kenya, looked at the link between free-riding (follower behaviour) and collective marketing performance of Kenyan coffee cooperatives based on survey data from 120 cooperatives in Eastern and Central Kenya. The practices perceived as free-riding behaviour: included; selling coffee cherries at the farm gate to itinerant traders; farmers avoiding selling coffee through their co-operatives, meaning they did not trust the leadership; delivering coffee to neighbouring cooperatives, and transferring inputs received from for coffee to other crops or reselling them to other farmers. Results showed that free-riding was prevalent and it was determined by multiple factors including group characteristics, institutional arrangements and the external environment and this significantly impaired the marketing performance of Kenyan coffee cooperatives. The study also revealed that farmers opted to avoid selling their coffee through their co-operatives because they didn't trust their leaders; they sold their coffee through neighbouring societies that performed better in payments than their own.

Conceptual Framework

Henderson (1994), argued that the major aim of research should be to relate data to a theory from data. In order to gain knowledge, the theories should provide a conceptual framework, so that knowledge can be interpreted from empirical application in a comprehensive manner. The study conceptualized that these four variables; Mutual trust and co-operation, social justice and molarity, collective learning and development and empowering people had an influence on perceptions of followers on performance of coffee farmer's cooperatives as illustrated in Figure 1 below:

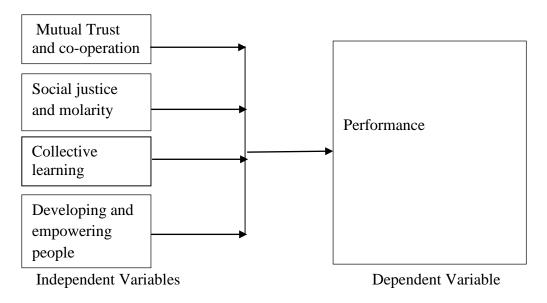


Figure 2.1: Conceptual Framework

Relationships between Variables

The study sought to find out the relationship between the identified variables and perceived influence on performance of cooperatives in Othaya and Mukurweiini Sub-counties of Nyeri County. The variables were mutual trust and cooperation, social justice and molarity, collective learning and developing and empowering people measured against perceived influence on performance. The outcomes are discussed in Chapter Four.

Research Gap Analysis

The theories and concepts have focused on principles, values and other attributes including relationship between the leaders and followers that leaders need to deliver value to their stakeholders. Cummings and Schwab, (1973) have claimed that leadership is the most important variable effecting organization's performance. Studies have examined leadership performance from an organisation's performance perspective and little has been done from a values-based assessment where followers rate their perceptions of values shown in the leaders' role performance. The understanding of leadership roles by followers and the perceived influence of those roles in performance is a research gap that the researcher attempted to investigate.

Chapter Summary

The researcher viewed some of the theories and concepts that promote result based leadership and culture. The leadership qualities emphasised in the concepts and theories foster best practices in organisation behaviour, which is contradicted by the studies in the literature review sighting poor management, none compliance and competencies as the main challenges affecting societies.

CHAPTER THREE

RESEARCH METHODOLOGY

Introduction

This chapter gives a detailed outline of how the study was carried out. It describes the research design, the target population, the sample and sampling procedure and size, research instruments, methods of data collection, data analysis and presentation using computer aided software (SPSS), validity and reliability of instruments and ethical issues in the research.

Research Design

The study utilized a mixed methods approach for comparing different perspectives drawn from both quantitative and qualitative data (Creswell, 2014). This approach was best for this research because neither quantitative nor qualitative research is sufficient in providing the status of the situation, in this case the perceived influence of leadership roles on the performance of coffee co-operative societies. When used together the two complement each other and provide a rich and complete analysis (Cresswell, 2014).

Quantitative research has been defined as an "approach for testing objective theories by examining the relationship among variables", while Qualitative research is an "approach for exploring and understanding the meaning individuals or groups ascribe to a social or human problem" (Creswell, 2014 p. 32). The study leaned more on Qualitative method chosen to explore and understand the values-based assessment from ratings made by members and managers of societies. The interest was in their perceptions of the leaders' role in performance, thus the method allowed information

to emerge from participants in the study. The process involved questions and procedures for data collection in the participant's setting.

Multiple sources of data were used including questionnaires, interviews, and reports from the Co-operative Sub-county office. Significance was given to the participant's view of the problem, how they understood the roles and their perceived influence of leadership roles on performance of their societies. Quantitative analysis was applied for numeric information on scales of instruments. The study used descriptive and explanatory research designs that allowed the researcher to describe record, analyse and report conditions that existed at the time of study (Kothari, 2004). Qualitative data was used to explain quantitative results using explanatory sequential methods (Creswell, 2014). The results led to recommendations for interventions. The sub-county co-operative office and the managers provided the secondary data.

Population Studied

The total active population from the five coffee societies including the leadership was 28,041. The participants were drawn from the list of active farmers; those who delivered coffee to the societies.

Table 3.1: *Total active society population before sampling.*

No	Society	Sub-County	Directors	Supervisor	Manager	Active	Total
						Members	
1	Othaya	Othaya	5	-	1	9,000	
2	Rumukia	Mukurweini	5	-	1	5,000	
3	Ruthaka	Mukurweini	5	-	1	4,000	
4	Rugi	Mukurweini	9	2	1	6,000	
5	New Gikaru	Mukurweini	5	-	1	4,000	
	Total	5	29	2	5	28,000	28,041

Source: (Nyeri County Cooperative Commissioner report, 2016)

Samples selected

Kothari (2004) describes the size of a sample as the number of items to be selected from the universe to constitute a sample. The size of sample should neither be excessively large, nor too small. It should be optimum. The author adds that an optimum sample is one which fulfils the requirements of efficiency, representativeness, reliability and flexibility. The researcher in the current study used purposive sampling procedure to identify cases that have the required information with respect to the objective of the study (Kothari, 2004). Non-probability sampling also known by different names such as deliberate sampling, purposive sampling and judgement sampling was used (Kothari 2004). Those sampled were active members of Coffee Societies; there was recognition of diversity and inclusiveness within the target population in terms of hierarchy (position in leadership), age, and gender thus, all board members, all the managers of the societies under review were considered for the study because they provide leadership. Farmers were selected because they have a perspective about the leaders given that they rely on them to manage and make decisions about their crop.

Sampling Method

Multistage sampling procedure was used to get the location where farmers had the same characteristics and random sampling then applied (Mugenda & Mugenda,2003) since factories were in different locations. This involved establishing a criteria or patterns for selection of participants in different groups and locations to ensure that all coffee farmers' cooperatives committee members, supervisory committee, managers, managers, field supervisors and farmers sampled had an equal chance of being included in the sample (Mugenda & Mugenda 2003).

The criteria for determining sample size was based on Yamane (1973) shown below.

$$n = \frac{N}{1 + N(e)^2}$$

Where:

N= Target population size n = Number of items in the sample e = Precision level desired 0.05 per cent n = $\underline{28,041}$ = 394 1+ $(28,041*(0.05^2)$

The research sample size was 394 respondents drawn from the five coffee farmers' cooperatives in the study. These respondents were distributed as follows: 29 Management Committee members, 2 members of the Supervisory Committee, 5 Secretary Managers and 358 farmers. The respondents were distributed according to membership held in a prorata basis and calculated as follows:

Figure 2.2: Sample size calculation

Othaya Farmers:	Active members ====================================	,	115
Omaya i aimeis.	Total membership		113
Rumukia Farmers:	Active members= Total membership	:=	64
Ruthaka Farmers:	Active members= Total membership	:=	51
Rugi Farmers:	Active members Total membership	:=	77

The details are summarised in Table 3.2 below.

Table 3.2: Target Population Sample Size

	Name of	Sub-County	B/M	S/M	M	sample	Total
	society						
1	Othaya	Othaya	5	-	1	115	121
2	Rumukia	Mukurweini	5	-	1	64	70
3	Ruthaka	Mukurweini	5	-	1	51	57
4	Rugi	Mukurweini	9	2	1	77	89
5	New Gikaru	Mukurweini	5	-	1	51	57
	Total		29	2	5	358	394

Source of data: County Commissioner report (2016).

B/M –Board Members, S/M – Supervisory members, M- Managers

Research Instruments

The study used open and close ended questionnaires and interviews to gather data (Mugenda & Mugenda, 2003). The structured information made the questions easier to analyse, to administer and economical to use and the non-structured questionnaires gave the respondents freedom of response; allowing more detailed response, and enabling respondents to express their inner feelings, interests and decisions (Mugenda & Mugenda, (2003).

Each item in the questionnaires was developed to address the specific objective and research question of the study. The questionnaires were well thought out to eliminate confusion to respondents and to avoid discouragement (Mugenda & Mugenda

2003). Interviews with the five Secretary Managers (CEOs of the societies) and the Sub County Cooperatives Officer provided additional information.

The independent variables in the study were measured using a Likert scale. Likert is a psychometric response scale primarily used in questionnaires to obtain participant's preferences or degree of agreement with a statement or set of statements, Likert (1932). It is a non-comparative scaling technique that only measure a single trait in nature. Respondents in this study were asked to indicate their level of agreement with given statements. This was to check if appropriate questions were asked for meaningful analysis. Pre-testing of survey instruments was undertaken to scrutinize the sequence, the content and procedures and to ensure the context was understood by respondents. In addition to questionnaires on independent variables, demographic data was sought on gender and age because both men and women and the youth play an active role in shaping the influence on leadership trends and performance of societies.

Data Collection Methods

Information was gathered from the respondents using an open and closed ended questionnaires. This method was chosen primarily due to its practicability and applicability to the research problem and the size of the population, and because of its invaluable simplicity and sense of anonymity by the respondent (Mugenda & Mugenda 2003). Data was structured into three categories; demographic data, on the four main leadership roles and on interview notes from the Secretary Managers.

Part I - demographic data including gender, age and level of education since they play a key role in shaping the leadership of the societies and the people are given equal rights to participate in leadership. Part II – data on perceived influence of leadership roles on performance of societies. Roles included; mutual trust and cooperation, social justice and molarity, collective learning and developing and empowering people.

Part III - The interview data from the Secretary Managers

The Data collection procedure started with quantitative data gathered using the open ended questionnaire and it included information on ratings of perceived influence of leadership roles on performance based on the four independent variables then followed by qualitative data from a subset of participants by way of interviews, and document review. The qualitative interviews were used to explore and make sense of the quantitative findings (Creswell, 2014).

The administration of the questionnaires was done by "drop and pick" method as it allowed ample time to complete the questionnaires. The researcher was supported by two research Assistants and some five support team members. This ensured that all respondents received the questionnaires, any respondent with difficulties was supported and also for follow up and collection of questionnaires for analysis. The research obtained a letter of identification from the Pan Africa Christian University and from Director General, National Commission for Science Technology & Innovation (NACOSTI) for introduction to the institutions and respondents to gain approval from respondents to participate in the study.

Data Analysis and Presentation

Data analysis was guided by the aims and objectives of the research and was undertaken to determine the patterns revealed in the data collected (Mugenda & Mugenda 2003). The qualitative data was analysed through content analysis, (Duriau, Reger, & Pfarrer, 2007) this involved establishing patterns, trends and relationships from the information gathered to interpret meaning from the content of text data. The analysis allowed the researcher to examine the degrees of organizational behaviour's, stakeholder perceptions, and societal trends (Lal & Bhaskaran, 2008).

Before carrying out the analysis of the quantitative data, the data was checked for completeness. The data was analysed using descriptive statistics such as percentages defined as the proportion of a subgroup to the total sample (Mugenda & Mugenda, 2003), relationships and measures central tendencies including mean, and standard deviation. The information from the questionnaires was assigned numerical values; if yes or no, number 1 was assigned to "Yes" and 0 to "No". Questionnaires presented in matrix format, respondents were instructed to choose on a 1 to 5 scale for example if the Managers were asked to rate their understanding of any of the variables, the anticipated responses ranged from 1 = strongly disagree to 5 = strongly agree. Preanalysis of data was done; the administered questionnaires raw data was systematically organised in a manner that facilitated analysis (Mugenda & Mugenda, 2003). Information gathered was sorted, coded and input into the statistical package for social sciences (SPSS, version 22) and subjected to analysis. The outcome was presented in the form of graphs, tables, descriptive statistics and inferential statistics detailed in Chapter 4 (for example on pages 35, 36, 37 to 43)

A multiple regression analysis was used to determine whether the variables together predicted the given dependent variable and to test the significance of the influence of the independent variables on the dependent variable (Mugenda & Mugenda 2003). The data was subjected to regression analysis because the researcher was interested in finding out whether the independent variables (defining the leadership roles) predicted the given dependent variable (Performance of coffee societies; A multiple regression was used because the test involved more than one variable (Mugenda & Mugenda 2003).

Research Reliability and Validity

The study made an effort to ensure that the data met the measures of reliability and validity for the quantitative data. Both measures, ensure that the data collection techniques yield information that is relevant and correct. "Reliability is a measure of the degree to which a research instrument yields consistent results or data after repeated trials," (Mugenda, 2003, p. 95). This measure shows how accurately the data obtained in the study represents the variables. If the data is a true reflection of the variables then the data is deemed accurate and meaningful (Kothari, 2004).

Validity is described as "the degree to which results obtained from the analysis of the data actually represents the phenomenon under study" (Mugenda, 2003, p. 99). The researcher used sampling validity to select specified key indicators relevant to the concept being measured as detailed in Chapter Four. If the instrument contains a representative sample of the universe, the content validity is good. Its determination is primarily judgemental and intuitive and there is no numerical way to express it (Kothari, 2004). In view of this, the data collection instruments were tested and examined before putting them into use. A pre-test of the questionnaire similar to the actual sample which the researcher planned to use in the study was tried out in the field

to a selected sample of 16 respondents (Mugenda, 2003): Kothari 2004). This was important to reveal questions that were vague for rephrasing, but from the findings, the instruments were clearly understood and there were no comments and suggestions from the respondents for improvement. The questionnaires and interview schedule were also discussed with the Supervisor to check their suitability and correct validity standards Criterion-related validity relates to the ability of the research to predict some outcome or estimate the existence of current conditions (Kothari 2004). This form of validity reflects the success of measures used for some empirical estimating purpose. Kothari (2004), asserts that this criterion must possess the following qualities: relevance, thus a criterion is considered relevant if it is defined in terms of our judgement to be the proper measure, it must also be free from bias, which can be attained, when the criterion gives each subject an equal opportunity to score well. The researcher ensured that the instruments were user friendly to give all participants an equal chance to express their views; confidentiality was also assured to allow the participants to contribute without fear.

Trustworthiness

Validity is based on determining whether the research findings are accurate from the view of the researcher, the participant, or the readers of an account (Creswell, 2014). Trustworthiness involves establishing: Credibility (confidence in the 'truth' of the findings), Transferability (showing that the findings have applicability in other contexts) Dependability (showing that the findings are consistent and could be repeated) and Conformability (a degree of neutrality or the extent to which the findings of a study are shaped by the respondents and not researcher bias, motivation, or interest) (Creswell, 2014). Following the authors recommendations, the researcher used multiple approaches to assess the accuracy of findings including member checking which was

used to determine the accuracy of the qualitative findings. This was done by taking the major findings back to key participants mainly the Secretary Managers and the Sub-County Co-operative Officer to give them an opportunity to comment on the findings and determine whether they were accurate (Creswell, 2014). The researcher checked if she could draw meaningful and useful inferences from scores from the questionnaires and interviews ensuring no important information was overlooked.

Ethical Considerations

Ethical issues are important in any research study and they should receive considerable attention. This is relevant to coffee cooperatives societies since they are financial organisations that operate in a competitive environment and they rely on reputation. In a research context, ethics refers to the appropriateness of one's behaviour in relation to the rights of those who become the subject of one's work, or are affected by it, (Saunders at al., 2007). Research ethics relates to how one formulates and clarifies research topic, designs research, gains access, collects data, processes and stores data, analyses data, and reports one's research findings in a moral and responsible way (Saunders at al., 2007).

Different ethical issues may arise during the different stages of a research. Ethical considerations were taken into account in this study. For example, before participants were engaged in the study, they were informed about their participation rights and the purpose for which the data would be used was given as recommended by Saunders at al., (2007) via a cover letter which accompanied every questionnaire. They were informed that they had the right to withdraw even after they had consented to take part in the research project. Participants were also assured of confidentiality and anonymity in the research study.

Chapter Summary

This chapter has shown how the researcher carried out this study. It provides the research design, strategies used for collecting and analysing the data. The researcher used a mixed methods design because of its strength of drawing on both qualitative and quantitative research and minimizing the limitations of both approaches. Most critical, the researcher made all efforts to ensure that the data collected could be trusted and to illuminate the problem under investigation.

CHAPTER FOUR

RESULTS AND DISCUSSION

Introduction

This chapter presents the findings of the data analysis and interpretation. The chapter begins with a presentation of the findings on the demographic characteristics of the respondents, followed by the findings on respondents' perceptions on the influence of the leaders' role on performance drawn from structured questionnaires. The findings of the qualitative analysis then follows, thus the answers to the research questions presented in chapter one as well as a discussion of the findings.

Quantitative data was collected using structured questionnaires, with a view of identifying the potential predictive power of selected variables namely: mutual trust and co-operation, social justice and molarity, developing and empowering people and collective learning on the performance of coffee societies. The qualitative component was used to explore the perspectives of the secretary managers of societies on performance of the cooperative societies through interviews. The observations given by the respondents were significant predictors of performance. It also offered an opportunity for determining the difficulties they experienced when playing their roles.

A concurrent data analysis approach for mixed methods design was used following Cresswell and Clarke's (2007) suggestions, where quantitative data and qualitative data were analysed separately, then merged through data transformation. The quantitative data was tabulated into percentages and frequency distributions and presented in bar graphs, tables, and pie charts. Qualitative data was presented as

excerpts of comments made by the respondents to provide a deeper understanding of the results from the quantitative analysis.

Response Rate

This refers to the percentage of participants who responded to questionnaires (Mugenda and Mugenda, 2003). Data for this study was obtained from three hundred and seventeen (317) respondents out of the targeted three hundred and ninety-four (394). Thus the response rate achieved was 80.5%, which was a good representation of the sample and the entire population based on Mugenda and Mugenda (2003) assertion which indicates that a response rate of 60% is good and of 70% and above is very good. These figure according the authors have no statistical basis and are used as a guideline.

Table 4.1: Response Rate of respondents

Response	Targeted	Returned
Numbers (n)	394	317
Percentage (%)	100%	80.5%

Reliability and Validity Test Results

Prior to the research, a pilot study was conducted to find out if the respondents could answer the questions without difficulty. The reliability and validity of the information was important for relevance and correctness (Mugenda and Mugenda, 2003). Questionnaires were administered to a sample of 16 respondents twice at an interval of two weeks to assess reliability. The respondents were management committee, managers and a few farmers who were asked to evaluate the questions for relevance, comprehension, meaning and clarity.

The Cronbach coefficient alpha was computed to determine how items correlated among themselves and to assess the internal consistency of the instrument (Mugenda & Mugenda, 2003). The Pilot test gave a Cronbach's Alpha coefficient of 0.867 as shown in Table 4.2 below. A high coefficient implies that there is a high correlation and homogeneity among the variables (Mugenda & Mugenda 2003).

Table 4.2: *Reliability Statistics*

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items		
.867	.865	16		

Research Findings

General and demographic information

This section provides the results of the data analysis of the study and the interpretations of the general and demographic information. The findings are discussed as follows:

Response by Gender

The study sought to establish the gender composition of the respondents, because both men and women play an active role in the coffee cooperative societies shaping the influence on leadership trends and performance. Figure 4.1 below, illustrates that 53.3% of the respondents were male while 46.7% were female. The participants, both men and women were equally engaged in the study.

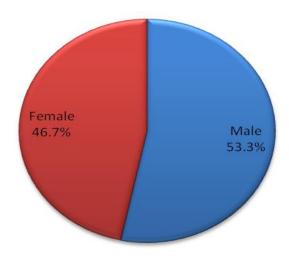


Figure 4.1: Response by Gender

Age category

The study sought to determine the age groups of the respondents, this was important to know what percentage of farmers form the youth and older farmers. Youth signifies continuity and leadership succession. The results shown in Figure 4.2 below, revealed that 3.8% were between 20-24 years, 9.8% were aged between 25-29 years, 15.1% were aged between 30-34 years, 16.1% were aged between 35-39 years, and 18.3% were aged between 40-44 years while 36.9% were over 44 years. 28.7 % of people were below 35 years of age a good indication of continuity in coffee farming (succession) but this was not confirmed in the youths' participation in leadership. Majority of the respondents were over 30 years with a higher percentage above 40 years showing an ageing leadership population. Interviews with Secretary Managers (Society CEOs) revealed that the Societies Board members' age ranged between 35 to 75 years with an average of 55 years. The same revelation was confirmed by the Sub-county Cooperative Office. This was an indication that the youth had not taken up leadership roles in the cooperative societies.

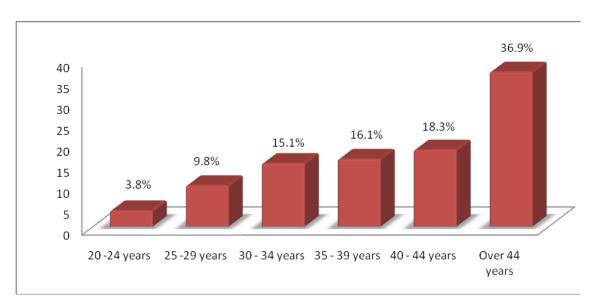


Figure 4.2: *Age category*

Level of education

The study sought to determine the level of education of the respondents.

Literacy levels are important especially for the leaders in decision making, value based communication and to cultivate trust from followers.

Figure 4.3 below shows that, 16.7% of the respondents had primary school education, 58.0% had secondary school education, 21.8% were diploma/certificate holders, and 2.2% were degree holders while 1.3% were master degree holders. Majority of the respondents had secondary school education and above. The region has reasonable literacy levels with 25.3% holding diploma/certificate and above. Societies being important economic institutions, members are expected to elect qualified and competent board members. Report from the Sub-county Co-operative Office revealed that majority of the Management Committee (Board members) had form four certificate with no additional training posing a challenge in competencies.

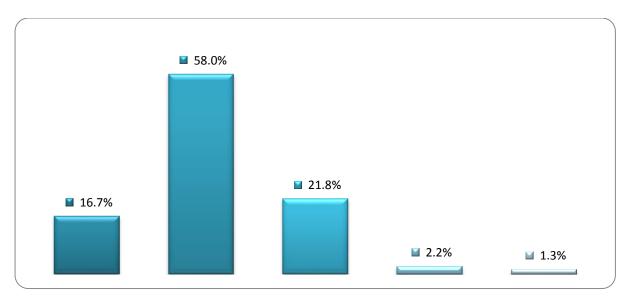


Figure 4.3: Level of education

Results on perceived influence of leadership roles on performance

The respondents expressed their understanding of the influence of leadership actions or variables on performance of the coffee society's, by indicating their level of agreement with given statements, from a range of 1 to 5 on a likert scale. The anticipated responses ranged from 1 = strongly disagree to 5 = strongly agree. These responses were used to gauge their preferences and perceptions. The importance of each factor was obtained through correlation analysis between the independent and dependent variables using Pearson correlation coefficient.

Perceptions of leadership roles on performance

The researcher sought to establish the perception of the respondents on the extent to which leadership influenced performance of coffee cooperative societies. Figure 4.4 below shows that, more than half of the respondents, 58.3% said leadership roles influenced performance of coffee cooperative societies to a great extent. Slightly below a third opined that leadership roles influenced performance of coffee cooperative

societies to a moderate extent. The finding that leadership roles influenced performance of coffee cooperative societies is consistent with Benligiray, (2004, p.141) statement that "organizations' success is directly proportionate to their leaders and employees' performance. It also resonated with Gutema, (2014) study on the role of leadership on agricultural cooperatives performance which revealed that leaders who are most effective at business performances drew from leadership behaviour and skills required in cooperatives business organizations. This study also found that the role of leadership was directly and positively related with cooperatives business performance.

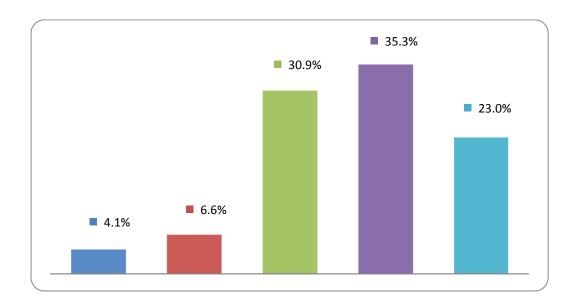


Figure 4.4: The extent leadership roles influenced performance of coffee cooperative societies.

Perceived influence of Mutual trust and co-operation in performance

The researcher sought to find out how the respondents perceived mutual trust and relationship and if it had influence on performance. Performance was perceived in terms of general performance of the societies, profitability and coffee sales and members' payments. Mutual trust and co-operation is the experience characterised by loyalty and confidence existing between two parties. Leadership is expected to

demonstrate that they have mutual trust and co-operation amongst themselves and that they can foster the same with farmers and employees to maintain positive relationships. This is because positive relationships build trust and people are motivated to produce positive results. Dissatisfied farmers and employees have negative relationships.

From Table 4.3 below, 81.7% of the respondents indicated that mutual trust among Board members contributed to the performance of society, 12.0% said that it contributed to negative effect, 1.9% said it had no relationship while another 4.4% could not tell if mutual trust and co-operation influenced performance.

While considering the variables of interest under mutual trust and co-operation, 78.9% of the respondents said that the mutual trust between Directors, employees and farmers was positive that it influenced profitability. 12.3% said it was negative, 2.2% said it had no influence and 6.6% did not know. Some participants, 71.6% were positive that mutual trust influenced coffee sales and final payments to farmers, while 15.5% indicated that it was negative, 2.5% said it had no influence and 10.4% didn't know. 77.0% of the respondents were positive that the relationship between them and the Board members influenced performance, 14.8% were negative, and 6.6% said there was no relationship while 6.6% of the respondent could not tell.

Overall, most of the respondents were positive that mutual trust and cooperation influenced performance. This is consistent with the ABC Trust model associated with Conley &Witt (2011) which emphasized that leaders need the four elements of trust (Able, Believable, Connected, and Dependable) in order to build or restore trust with the people they lead. This is contrary to Kiura and Shavulimo, (2016) in their study on- Entrepreneurial Factors that influence performance of coffee cooperative societies where they concluded that none performance was attributed to the leadership failure in exercising their roles of being proactive and abuse of trust.

. Table 4.3 *Perceived influence of Mutual trust and co-operation on performance (%)*

	PS	NG	NN	DN	Total
Mutual trust among Board Directors	81.7	12.0	1.9	4.4	100
contributed to the performance of society					
Mutual trust existing between Directors	78.9	12.3	2.2	6.6	100
and employees and farmers had influence					
on society profitably					
Mutual trust had influence in the growth	71.6	15.5	2.5	10.4	100
of coffee sales and payment rates to					
farmers					
The relationship between Directors and	77	14.8	1.6	6.6	100
employees and farmers had influence on					
performance					

KEY: PS=Positive NG=Negative NN= None DN=Do not know

Perceived influence of Social Justice and morality on performance

The study sought to establish from the respondents, to what extent the factors of social justice affected performance of coffee societies. Performance was perceived in terms of compliance to laws, regulations and society by-laws, member participation in elections, and involvement in preparation and approval of financial statements. The results revealed that social justice influenced the performance of coffee societies in several ways. Table 4.4 below, illustrates that 65.3% of respondents were of the view that when leaders carried out an administration of society by-laws, it influenced coffee productivity and performance to a greater extent. 66.2% said that a leaders enforcement of both cooperative Society's Act and Society by- laws influenced growth in coffee sales and performance to a greater extent. Another 68.1% agreed that when leaders encouraged member's participation in elections of society committee, it influenced performance of the society to a greater extent. 62.5% opined that the interpretation and approval of financial statements influenced the rate of payments of coffee in the society

to a greater extent. Of all the social justice factors, members' participation in elections of the society's committee was perceived to have more influence on the society's performance. The poor and delayed payments in the area of study, is evident that social justice is a challenge that needs to be addressed. This is consistent with Baka, (2013) study on the challenges facing co-operative societies in Kenya whose study revealed that coffee societies suffered from non -compliance, weak legislation, poor financial management, poor leadership, governance and political interference leading to poor performance.

Table 4.4: Perceived influence of Social Justice and molarity on performance (%)

	VGE	GE	ME	LE	NE	Total
Extent to which administration of society						
bylaws influenced coffee productivity and	32.2	33.1	22.1	6	6.6	100
performance						
Extent to which enforcement of cooperative						
society's act and society bylaws influenced	27.1	39.1	18.6	6.6	8.6	100
growth in coffee sales and performance						
Extent to which members participation in						
elections of society Directors influenced	35.3	32.8	18	6.3	7.6	100
performance of society						
Extent to which interpretation and approval of						_
financial statements influenced the	22.4	40.1	21.1	8.2	8.2	100
performance of society and rate of payments	22.4	40.1	21.1	0.2	0.2	100
to farmers						

KEY: VGE = Very great extent: GE = Great extent: ME = Moderate

extent: LE = Little extent: NE = No extent

Perceived influence of developing and empowering people on performance

The study sought to establish the effect of developing and empowering people on various aspect of organisational performance. Performance was perceived in terms

of wealth, coffee payment rates, timely payments, and effective communication on the societies affairs in general.

Table 4.5 below revealed, that 58.4% of the respondents indicated that when farmers were empowered they worked harder and this influenced growth of coffee sales to a greater extent. Another 59.4% also mentioned that empowerment did influence the coffee payments rates to a greater extent. 60.9% were of the view that empowering farmers influenced coffee productivity to a greater extent. Lastly 56.8% agreed that empowering farmers influenced coffee society profitability to a greater extent. The written responses concurred that empowering people played a key role on performance of coffee cooperative societies and this was exemplified by the fact that all the variables considered were rated above average. The performance was considered in terms of growth in coffee sales, coffee payment rates, productivity and profitability.

Table 4.5: Perceived influence of developing and empowering people on performance (%)

	VGE	GE	ME	LE	NE	Total
Influence of empowering people						
on growth of coffee sales	18	40.4	27.8	9.1	4.7	100
Influence of empowering people						
on coffee rate payments	26.2	33.2	27.4	8.8	4.4	100
Influence of empowering people						
on coffee productivity	24.3	36.6	24.9	8.8	5.4	100
Influence of empowering people						
on coffee society profitability	26.2	30.6	28.1	11.3	3.8	100

KEY: VGE= Very great extent: GE= Great extent:

GE= *Great extent: ME*= *Moderate extent*

 $LE = Little \ extent$: $NE=No \ extent$

Perceptions about collective learning and its influence on performance of coffee

Co-operative society

The researcher sought to establish the perception of the respondents on whether collective learning influenced performance of the co-operative societies. Collective learning was perceived in terms of sharing of information, interpretation of financial statements, understanding coffee sales reports, analysing profitability and understanding the coffee production trends. The results on Table 4.6 below, revealed that most of the respondents said collective learning influenced performance in coffee cooperative society to a greater extent. 49.5% of the respondents indicated that interpretation of financial statements to a great extent influenced performance of coffee cooperative societies; 58.4% said understanding of coffee sales reports influenced performance to a greater extent, 54.2% indicated that analysing society profitability reports had to a greater extent influenced performance while 61.6% agreed that analysing coffee production trends influenced performance of coffee cooperative societies to a greater extent.

Table 4.6: *Perceived influence of Collective learning performance* (%)

	VGE	GE	ME	LE	NE	Total
Interpretation of financial statements		34.4	34.4	12.9	3.2	100
Understanding of coffee sales						
reports	20.2	38.2	28.1	7.6	5.9	100
Analysing society profitability						
reports	24.5	29.7	29.7	12.9	3.2	100
analysing coffee production trends	25.6	36	24.9	7.6	5.9	100

KEY: VGE = Very great extent: GE = Great extent: ME = Moderate extent: LE = Little extent: NE = No extent

Perceived influence of collective learning on coffee productivity in the society

Production is one of the most important factors determining performance. The researcher sought to establish the perceived influence of collective learning on productivity. As shown in Figure 4.6 below, the majority of the respondents, (41.0% + 37.9% = 78.9% said that collective learning influenced performance in coffee cooperative society to a greater extent. The respondents rated collective learning highly as knowledge enables them to participate in key decision making areas, asking relevant questions and putting the leadership to account,

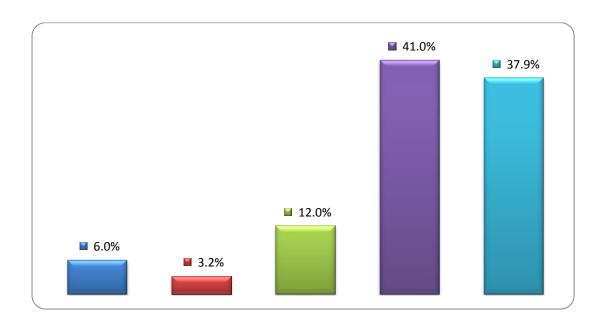


Figure 4.5: Extent to which Collective learning influences increase in coffee productivity in the society

KEY: VGE = Very great extent: GE = Great extent: ME = Moderate extent: LE = Little extent: NE = No extent

Correlation analysis

Correlation technique was used to analyse the degree of relationship between two variables. The computation of a correlation coefficient yields a statistic that ranges from -1 to +1. This statistic is called a correlation coefficient (r) which indicates the relationship between the two variables and the bigger the correlation the stronger the coefficient between the two variables being compared (Carver, Scheier, Miller, & Fulford, D. 2009). The researcher carried out correlation analysis between the independent and dependent variables of the study using Pearson correlation coefficient. Correlation Coefficient was used to test whether there existed interdependency between independent variables (mutual trust, social justice, collective learning and people empowerment) and dependent variable (performance of coffee societies) in Nyeri County. In order to conduct correlation analysis the set of items that measured each variable were aggregated by computing the average. From the findings of the analysis indicated in table 4:7 below on the correlation matrix, all the independent variables had a positive relationship with the dependent variable. Mutual trust had statistically significantly effect on performance of cooperative societies r = 0.134, p value 0.017 <0.05 at 0.05 significance level. Social justice had statistically insignificantly effect on performance of cooperative societies r = 0.049, p value 0.382 > 0.05 at 0.05 significance level. People empowerment had statistically insignificantly effect on performance of cooperative societies r = 0.090, p value 0.111 > 0.05 at 0.05 significance level. Collective learning had statistically significantly effect on performance of cooperative societies r = 0.176, p value 0.002 < 0.05 at 0.05 significance level.

Table 4.7: Correlation analysis

		Perform ance of cooperat ive societies	Mutual trust	Social justice	People empower ment	Collecti ve learning
Performance	Pearson Correlation	1	.134*	.049	.090	.176**
of cooperative societies	Sig. (2-tailed)		.017	.382	.111	.002
societies	N	317	317	317	317	317
Mutual trust and co- operation	Pearson Correlation	.134*	1	.330**	.273**	.337**
	Sig. (2-tailed)	.017		.000	.000	.000
	N	317	317	317	317	317
Social justice	Pearson Correlation	.049	.330**	1	.292**	.486**
and molarity	Sig. (2-tailed)	.382	.000		.000	.000
	N	317	317	317	317	317
Collective learning	Pearson Correlation	.090	.273**	.292**	1	.257**
	Sig. (2-tailed)	.111	.000	.000		.000
	N	317	317	317	317	317
People empowerment	Pearson Correlation	.176**	.337**	.486**	.257**	1
	Sig. (2-tailed)	.002	.000	.000	.000	
_	N	317	317	317	317	317

^{*.} Correlation is significant at the 0.05 level (2-tailed).

Interviews with the Secretary Managers.

The researcher conducted an unstructured, open-ended interview with the five Secretary Managers and the sub-county co-operative officer. The interviews were guided by results from the quantitative results to get deeper understanding of the perceived influence of leadership roles on performance of co-operatives as understood by the respondents. The managers also gave their views on perceived influence of leadership roles and reasons they thought contributed to poor implementation of roles affecting performance. The discussions were based on the following themes.

^{**.} Correlation is significant at the 0.01 level (2-tailed).

Poor payments and low production

All the Secretary Managers unanimously agreed that performance of coffee societies was influenced by low production and poor payments to members. Poor payments affects farmers who see no reason to invest for higher production. Poor payments were influenced by societies' huge expenditure, poor planning, and poor quality of coffee, high level of debts among others.. These challenges were more prevalent in some than others as cited by two managers who said;

"Consistent good payments have motivated farmers in Othaya and production has increased from 900,000 Kgs of cherry to almost 4,000,000 Kgs of cherry over a period of seven years".

Overburdening of co-operative societies with debts influenced the final pay to farmers as cited by one of the interviewee who said;

"High level of debts affects final payments and this has a direct influence on productivity and quality. Some farmers divert coffee to neighbouring societies denying the society enough coffee and income to clear the debts. This is a big challenge"

Member involvement

Most of the society managers were in agreement that lack of member involvement affected the performance of the cooperative societies. Perceived member involvement in the affairs of the societies included; approval of budgets, approval of financial accounts, approval of development projects, analysing coffee production

trends, which all managers concurred contributed to the performance of societies. One manager said;

"Member involvement brings harmony, loyalty and stability in the society, it reduces the animosity created by misunderstanding between leaders and members and eliminates accusations of corruption and misappropriation of funds. Members are happy and the society is stable".

Delayed payments

The society managers were unanimous that late payments greatly affected the performance of cooperative societies, it created anxiety among the members and eroded loyalty resulting to farmers diverting coffee to neighbouring societies. Diversion is an indication of mistrust, lack of co-operation and a sign of injustice and immorality. They all agreed that communication with members on the status of coffee reduced the animosity especially when the delay was due to factors beyond the societies' control as cited by one of the managers who said;

"Good communication with members on the status of their coffee brings relief to members and good prices eventually make them happy. Lack of communication decreases confidence in the leadership, members who perceive timely payments as important start agitating for change of leadership leading to instability".

Relationship among leaders and followers.

The managers unanimously agreed that the relationship among directors and between directors, employees and farmers was perceived to be critical in building mutual trust and co-operation and it influenced performance of Co-operative societies significantly.

The relationship for some societies was affected by internal power and politics challenges creating divisions within the board, which disrupted proper functioning of the co-operatives. This was confirmed by managers who unanimously agreed that power and politics played a significant if not an overriding role in decision making and getting things done required a lot of influence. One of the managers said;

"Politics creates mistrust among the board members and with the followers. It creates division among the board members contributing to poor decision making, poor management and mistrust within the board and among members".

Wrangles in Ruthaka co-operative society in Mukureiini sub-county resulted in the entire management committee being voted out in 2015. The members requested for an enquiry against the board on performance and misappropriation of funds an indication of social injustice and immorality.

The managers unanimously agreed that the relationship between the Board and employees influenced performance of the societies. This was confirmed by one of the managers who said;

"When the Board members listen to the employees and they give the necessary support, the employees are motivated and they become more productive"

This was contrary to what one of the managers said,

"The Board does not appreciate the staffs especially the factory managers; they don't listen to their views and they don't support them, yet these are the people who process coffee and are responsible for quality that affects the final price of coffee"

This was different in Othaya and New Gikaru where the managers said their boards had no divisions and they listened and supported management. This indicates that if leaders relate well with each other, the working environment becomes conducive for good performance and it creates a result driven culture.

Culture and governance

The secretary managers agreed that the democratic control by co-operatives was misinterpreted by many members and this prompted frequent demand for elections. One of the managers said;

"Members agitate for change and they vote out the sitting leaders because of poor performance or politics. They are incited by a few leaders and they use their democratic right to throw out unwanted committee members".

This scenario brings instability and threatens social justice and morality. Managers said nepotism was common across the societies, and some societies had bloated work force from relatives of the leaders affecting the budget negatively. This was contrary to the respondents' perceived influence that cited good governance as a factor for promoting social justice and morality, fairness with equal treatment for followers, ethical considerations including compliance to set standards. The managers unanimously agreed that proper administration of society by-laws, enforcement of

cooperative Society's Act and member's participation in elections contributed to good governance and ethics and this positively influenced performance. This supported the respondents' perceived influence of developing social justice and morality on the performance of co-operative societies.

Interview with the Sub-county co-operative officer

The Sub-county Commissioner, being a government employee, said they provide; advisory, regulatory, services to the co-operative societies including, enforcement of the Co-operative Societies Act (2004), conducting of elections, audit services and they maintain records and reports for each co-operative societies. Some of the challenges he cited relevant to the study included;

"Farmers have high expectations from their leaders to deliver results. They evaluate performance in terms of net payments, what gets in to their pockets.

Some leaders have been borrowing money from different sources to top up payments to gain favour from members and to retain their seats; but this leaves the society in debts and compromises future payments"

This was an indication that the leaders were aware of their followers' perceptions and poor performance was an indication that they did not play their roles effectively. It may be necessary to establish why the leadership feared being voted out due to poor performance and they had to borrow to top up and retain their seats.

He cited poor communication among the leaders and lack of member involvement as common challenges within the co-operative societies and said;

"Good communication ensures followers are well informed and become more understanding and accommodating.

Internal politics was also an issue dividing the Management committees and creating "camps" within the co-operatives. Financial management for some societies was a challenge and budget disputes and poor cost management were common in some societies leading to liquidity challenges and accumulation of debts.

Skills and competence challenges were cited in some societies. The requirements for being a leader was form four certificate of education and being an active coffee farmer and he said;

"This is a challenge for some leaders who think it's easy to manage a cooperative society without any experience, but once in office, they are met with
challenges that include, budget constraints, lack of market information (many
are clueless and they have to rely on marketing agents for information) and
farmers get frustrated when they seek information from their leaders which they
can't get because they don't know"

Skills and competence challenges influence performance, reducing trust levels, farmers become anxious and uncooperative, contrary to the perceived influence of mutual trust and co-operation.

Triangulation

The researcher by examining results from respondents' perspectives and evidence from the interview results concludes that followers have very high expectations from their leaders and they appreciate the roles that influence performance. The main themes considered cutting across all the roles that both the respondents and the Secretary Managers' viewed as critical included; poor payments and low production, most leaders were voted out due to poor payments that adversely influenced production; member involvement that brings harmony, loyalty and stability

in the society, building mutual trust and co-operation, developing and empowering people, fostering social justice and morality; delayed payments that created anxiety among the members and eroded loyalty; relationship among leaders and followers, perceived to be critical in building mutual trust and co-operation, social justice and morality; culture and governance including power and politics, if poorly handled brings instability and threatens social justice and morality.

From the above specific themes discussed with the Secretary Managers to determine whether the participants' perceptions were accurate the researcher has concluded that the four roles were perceived to have influence on performance of cooperative societies. The problem statement is an indication that perceived roles were not implemented as desired by the respondents. Their values-based assessment rated their perceptions of values shown in the leaders' role performance with high expectations contrary to what was in reality for some of the societies and this is a gap that the study investigated.

Chapter Summary

This chapter has presented the results of the descriptive analysis in relation to the research question and conceptual framework of this study. The findings show that mutual trust and co-operation and collective learning were independent variables found to have major influence on performance of coffee co-operatives societies. Social justice and morality, developing and empowering people was also positively rated. The overall summary, conclusion for the study and the future research recommendations are given in Chapter five.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

Introduction

This chapter presents the summary of the study as guided by specific objectives and research questions, conclusions has been reached based on the findings, recommendations, suggestions for further research and conclusion.

The main objective of the study was to explore the perceived influence of leadership roles on performance of coffee societies. The significance of each role was to be determined from the ratings by the respondents. The study was guided by four specific objectives and research questions in Chapter one.

Summary of findings

The major findings from the study revealed that respondents perceived roles of mutual trust, and co-operation, social justice and morality, developing and empowering people and collective learning to have influence on performance of coffee cooperative societies to a great extent since the parameters used to measure each variables was rated above average. The respondents placed mutual trust and co-operation and collective learning highly in importance.

The researcher carried out correlation analysis between the independent and dependent variables of the study using Pearson correlation coefficient. Correlation Coefficient was used to test whether there existed interdependency between independent variables (mutual trust and co-operation, social justice and morality, collective learning and developing and empowering people) and dependent variable (performance of coffee societies) and all the independent variables had a positive relationship with the dependent variable.

Conclusion.

The five research questions were answered by analysing the data collected from the 371 respondents selected from five coffee co-operative societies in Othaya and Mukurweiini sub-counties of Nyeri County. The major findings from the study revealed that respondents perceived mutual trust and co-operation and collective learning to have major influence on performance of coffee co-operatives societies while social justice and empowering people influenced performance positively. The perceived outcomes from the study by the respondents were expressions of what they valued as important and what they felt would contribute significantly to the performance of their societies. From the Literature review in Chapter two, studies concluded that co-operative societies had challenges that needed to be addressed including poor management, abuse of trust, lack of understanding and implementation of cooperatives principles; poor decision making and financial management, and lack of innovation.

From the results, the problem statement and the literature review, it is evident that co-operatives are in dire need for leaders who have the capacity and will to exercise their roles and to influence performance of their institutions positively. Leaders who will provide strategic leadership that will produce results, transform organisations and communities and meet their followers' expectations. They need leadership that will manage competition both local and global, reinvent their organisations in the face on new technologies. There is need for honest strategic leadership for setting, implementing, reviewing and updating strategy for survival and success of farmer institutions. This will require discipline, passion, skill and commitment. The leadership should have the right skills, competencies, and leadership behaviours that foster a result driven culture. Voting out leaders who underperform and voting in others without this considerations is not a solution as it yields the same disappointments.

Recommendations

The importance of leadership in the coffee sector cannot be overemphasised. Coffee plays a key role in Kenya as a source of income for coffee farmers, a major foreign exchange earner, and source of employment. Over 95% of Kenya coffee is exported with traders handling business downstream where higher value for coffee is. It is not in dispute that the smallholder coffee farmer has borne the brunt of the long chain of middlemen in the coffee sale process and has been impoverished systematically over the years. In view of respondents' expectations, needed skills and leadership attributes and professionalism that empower or build capacity of leaders to deliver results and satisfy their members, the study recommends the following:

- Basic professional qualifications and competence mix for leaders that vie for specific positions especially the Executive Committee, should be determined and they should be a vital requirement when electing leaders into office.
- ii. The qualifying leadership should device strategies of winning mutual trust with all the stakeholders as it significantly contributes to the performance of societies.
- iii. Societies should develop policies of ensuring that various stakeholders especially members and staff are empowered through training, and to facilitate them with necessary resources that improve performance.
- iv. The County Governments should develop a capacity building program for leaders and an evaluation tool to monitor performance.
- v. Compliance should be emphasised in all societies and punitive measures introduced for leaders who fail to deliberately comply.
- vi. Review of the law to ensure societies co-opt professionals without voting rights to add value to the Board and management in decision making where the general

membership fail to produce enough leaders with the necessary qualifications.

This should be supported by the law.

Suggestions for Further Research

This study makes an important contribution in the understanding how followers perceive leadership roles and the influence the roles have on performance of coffee cooperatives societies. Arising from this study, the researcher recommends for further research;

- i. A study on areas of different stakeholders' empowerment to establish specific competence aspects at different levels of engagement within the societies. This includes, basic professional qualifications for the leaders, a competence mix to ensure balanced complementary role at the leadership.
- i. Investigation on reasons why the elective positions do not attract more qualified people; and why members elect directors without adequate qualifications.
- ii. A study on the existing laws to facilitate and legally enforce the changes.

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Appendices

Appendix 1: Research Instruments

Lucy Murumba

P.O.BOX 18052-00500

NAIROBI

Email: lmurumba@co-operativebank.co.ke

Dear Respondent

REF: REQUEST TO PARTICIPATE IN DATA COLLECTION

I am a student pursuing a Masters in Arts Degree in leadership at PAC University,

Nairobi, I hereby invite you to participate in my research titled "The influence of

leadership roles on performance of coffee cooperatives societies in Nyeri County,

Kenya". This information will be used for academic purposes only. This is to request

you to kindly take your time to answer the questions raised in the questionnaire. The

information that you give will be treated with utmost confidentiality. The findings will

provide a basis for cooperative advocacy and formulation of effective legal framework

for improving outcomes in the coffee industry.

Thank you in advance.

Yours Sincerely,

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Lucy Murumba

Ques	stionnaires								
Belo	Below is a questionnaire you are required to fill								
Instr	uctions								
a) Please fill it since	rely by ticking () wher	re appropriate						
b	o) Do not write your	name							
c	e) All information p	provided will be treated v	with confidentiality						
A.	Questionnaire on	Demographic Data							
1.	Gender								
	Male []								
	Female []								
2.	AGE								
	20-24 years [I	25-29 years []						
	30-34 years [1	35-39 years []						
	40-44 years []	Over 45 years []						
3.	Highest Level of I	Education							
	Primary School	[]	Secondary school []						

	Diploma/ C	ertificate	[]			Unive	sity deg	gree	[]]	
	Masters De	gree	[]								
В.	Questionna	ires on Ir	ıdepend	ent Vai	riables						
4	In your own o	•	to what	extent	do lead	ership ro	les influ	ience	perfor	rmanc	e
	To very great extent []										
refle	at the statements about the statement variab	society le								_	
Inde	oendent Varial	ble 1 - M	utual Tr	rust							
Mutu	al trust is the	experienc	ce chara	cterise	d by lo	yalty, coı	nfidence	e or m	istrust	t exist	ing
betw	een two partie	s and has	influen	ce in o	rganisa	tions.	Kindl	y res	spond	to	the
follo	wing statemen	its.									
5.	In your opinic committee?	on how d	lo you d	escribe	the rel	ationship	betwee	en me	mbers	and	
	Positive []	Negati	ve []	None []	I do	n't kn	ow []
6.	In your opini	on, rate h	ow mut	ual tru	st amor	ng comm	ittee me	mber	s conti	ribute	to:
	the performan	nce of so	ciety aff	airs in	relation	n to mem	iber's pa	aymer	nts		
	Positive []	Negat	ive []	None []	I do	n't kn	ow []

7.	How do you rate the influence of mutual trust existing between committee, staff												
	and members	s of the s	ociety in	relation to	society pro	fitably	?						
	Positive []	Negativ	/e []	None []	I don't know []					
8.	In your own	opinion,	what infl	uence do	you think m	utual tı	rust has in the grov	wth					
	of coffee sales in your the society?												
	Positive []	Negativ	ve []	None []	I don't know []					
Inde	pendent Varia	ble 2.	Social	Justice									
Socia	al justice looks	s at the fa	air and pr	oper admi	nistration of	all lav	ws and equal						
treat	ment of the pe	ople in tl	ne organi	sation.									
9.	To what exte	ent do yo	u think ac	dministrati	on of society	y bylav	ws influences coff	ee					
	productivity	in the so	ciety?										
	To very grea	t extent	[]		,	Γο great extent []					
	To moderate	extent	[]		-	Γο little extent []					
	To no extent	[]										
10.	To what exte	ent do yo	u think in	nterpretatio	on of financi	al state	ements influence the	he					
	rate of payme			-									
	To very grea	t extent	[]		5	Γο great extent []					
	To moderate	extent	ſ	1		<u>-</u>	Γο little extent [1					

	To no extent	[]						
				-					
11.	To what extent do	you t	hink eni	forceme	nt of cooperative society's act and				
	society bylaws inf	luence	es growt	th in cof	fee sales in the society?				
	To very great exte	nt	[]	To great extent []			
	To moderate exter	nt	[]	To little extent []			
	To no extent	[]						
12.	To what extent do	you tl	hink me	mbers p	participation in elections of society				
	committee influen	ce per	forman	ce in ter	ms of society?				
	To very great ex	tent	[]	To great extent []				
	To moderate ext	ent	[]	To little extent []				
	To no extent	[]						
Indep	oendent Variable 3.		Empow	ering Po	eople				
Emp	owering people en	itails	impacti	ng knov	wledge, communication to facilitate	all			
stake	holders in decision	n mak	ting as	stipulat	ed in the society by-laws. It motivat	tes			
farme	ers to increase pro	ductio	on and	quality	of coffee, motivates staffs to be mo	ore			
custo	customer sensitive and be more effective and efficient.								
13.	To what extent do	you t	hink em	powerii	ng people influences performance in yo	our			
	society?								
To ve	ery great extent	[]		To great extent []				
To m	oderate extent	ſ	1		To little extent []				

To n	o extent	[]								
14.	To what extent do you aspects?	ou think th	nat empow	ering people h	as led to th	e following				
		No	Little	Moderate	Great	Very Great				
		Extent	extent	Extent	Extent	Extent				
Gro	owth of coffee sales									
Rat	e of payments									
Pro	ductivity									
Pro	fitability									
Inde	pendent Variable 4:	Collec	ctive Learn	ing						
Coll	ective learning entails	sharing of	finformation	on, training or	coffee pro	duction quality				
and	marketing, involveme	ent in prep	aration and	d interpretation	on of financ	cial statements,				
disci	ussion and approval o	f budgets,	Sharing ic	leas and expo	sure to soc	ieties with best				
prac	tices.									
15.	15. To what extent do you think Collective learning influences increase in coffee productivity in the society?									
	To very great extent	[]		to grea	t extent []				
	To moderate extent	[]		to little	extent []				

[

To no extent

16.	To what extent do you think that collective learning has led to the following
	aspects?

	No	Little	Moderate	Great	Very Great
	Extent	extent	Extent	Extent	Extent
Interpretation of					
financial					
statements					
Understanding of					
coffee sales					
reports					
Analysing society					
profitability reports					
Analysing coffee					
production trends					
programme					

pro	gramme							
17.	To what extent d	lo you think	unde	erstandi	ing and analysis	of profitabi	lity influer	ices
	performance of	cooperative	soci	eties?				
	To very great ex	tent []		To grea	t extent []
	To moderate ext	tent []		To little	extent []
	To no extent	[]				

18.	In your opinion, what other ways do leadership roles influence the performance
	in your organisation?
Inte	rview notes for the Secretary Managers.
19.	Which factors and their importance contribute to the performance of society? Give reasons for your answers.
20.	In your own opinion how importance is relationship between the Board, employees and the members? Give your reasons for your ansers.
21.	How does compliance influence performance of societies and how well is it adopted in your societies?
22.	What is the influence of politics and power on performance of your society? Give reasons.
23.	Do your society by-laws provide for professional qualifications for elected leaders? Are they necessary in your opinion? Yes / No Give reasons for your answer

24.	What professional qualifications do your Executive Board members have?
	Chairman
	Vice Chairman
	Secretary
	Treasurer
25.	In your opinion is it important for management committee members to possess accounting knowledge? Yes/NO
	Give reasons for your answer
22.	Do you face difficulties in interpreting financial statements to committee members without accounting knowledge? Yes/ No
	Support your Answer
22.	In your opinion which is the best way to ensure cooperative leadership incorporates professionals in their management?

Report from the Sub-County Co-Op Office. Appendix II

REPUBLIC OF KENYA



COUNTY GOVERNMENT OF NYERI

DEPARMENT OF AGRICULTURE LIVESTOCK, FISHERIES AND COOPERATIVE DEVELOPMENT

Cooperative office

Mukurweini sub-county,

P.O.BOX 112,

Mukurweini.

5th August, 2017

To Mrs. Lucy Murumba: (PAC University)

RE: BRIEF STATUS REPORT ON LEADERS OF COFFEE COOPERATIVES IN **MUKURWEINI AND OTHAYA SUB- COUNTIES**

Refer to the above subject:

Coffee cooperative societies' members hold elections to elect their leaders annually on rotation basis and the tenure of office is three years. The current level of qualifications for the management committee members is tabulated below:

Sub- county	SOCIETY	OFFICIAL	FORM	PROFESSIONAL	REMARKS
			4		
Mukurweini	Mukurweini Rumukia Ch		yes	Teacher	Retired
		V/Chairman	yes	Farmer	

		Secretary	yes	Cooperative	Farmer
				Management	
		Treasurer	yes	Teacher	Retired
		Member	yes	Business	Chemical
					supply
	Rugi	Chairman	yes	Farmer	business
		V/Chairman	yes	Farmer	
		Secretary	yes	Farmer	
		Treasurer	yes	Farmer	
		Member	yes	Farmer	
		Member	yes	Farmer	
		Member	yes	Farmer	
		Member	yes	Teacher	Retired
		Member	yes	Farmer	
Mukurweini	Ruthaka	Chairman	yes	Teacher	Retired
		V/Chairman	yes	Farmer	
		Secretary	yes	Farmer	
		Treasurer	yes	Office	Retired
				Administration	
		Member	yes	Farmer	
	New	Chairman	yes	Teacher	Retired
	Gikaru				
		V/Chairman	yes	Farmer	
		Secretary	yes	Farmer	
		Treasurer	yes	Auditor	Retired
		Member	yes	Farmer	
Othaya	Othaya	Chairman	yes	Teacher	Retired
		V/Chairman	yes	Driver/ farmer	Retired
		Secretary	yes	Farmer	
		Treasurer	yes	Teacher	Retired
		Member	yes	Liquorer	Retired
					from Coffee
					Board

KEY CHALLENGES

- Majority have no accounting knowledge
- Depends on the knowledge of employees to interpret financial documents
- Use reasoned action and logic to understand and manage of societies
- Control of society financial status is hard especially complex coffee business
- Lack of knowledge in international business
- Low uptake of policy implementation

RECOMMENDATION

- The society by-laws should be amended to prescribe the minimum qualifications of executive committee members to include accounting knowledge
- Continued Capacity Building

DILEMA

- Is it a guarantee that once you have the professional qualifications prescribed you will be honest while managing cooperative affairs?
- Leadership not based on ascertained influence
- Opinion leaders who always criticize the leadership

Report by:

H.M. Kiura

Sub-Cooperative Officer

Appendix III: Copy of Research Permit and Authority Letter (An attachment)