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**Determinants of Consumer Cooperatives Engagement on Community Welfare: the
Case of Akaki kality sub-city woreda 07**

**A Thesis Submitted to the School of Graduate Studies, Addis Ababa
University, College of Business and Economics, Department of Management
in Partial Fulfillment of the Requirements for the
Masters of Business Administration**

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Declaration

I, the undersigned, declare that, “**Determinants of Consumer Cooperatives Engagement on Community Welfare: the Case of Akaki kality sub-city woreda 07** ” is my own original work, and has been done under the guidance and advise of Dejene Tulu. (PhD) Associate Professor of Management at Addis Ababa University. All the sources that I have used or quoted have been indicated and acknowledged by means of complete references.

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Abstract

The purpose of the research was studying determinants of consumer cooperatives engagement (professional management, supply of subsidized goods, technology, theft, members' participation and theft) on community welfare in the case of Akaki kaliti sub-city woreda 7. Community welfare is dependent variable whereas determinants of consumer cooperatives engagement were the independent variables. For this study, members and customers of the woreda's consumer cooperative is the population. The target population is 122 member and consumers of woreda 7 consumer cooperative which is 17 members from each 7ketenas (zones) located in woreda 7. Simple random sampling was adopted for the study. Depending on the research objective and research questions, explanatory research design and quantitative research approach is used. Furthermore to test the hypotheses and to answer the research questions, questionnaires were prepared and distributed to the target population. Descriptive analysis (measures of central tendency, dispersion, percentage, mean) and inferential analysis (correlation and regression) of the data gathered were done.

Based on the result of the research, professional management, supply of subsidized goods, technology, theft, members' participation and capital are determinants of consumers cooperatives engagement on community welfare. Following the statistical evidence of determinants of consumer cooperatives engagement on community welfare, the cooperative union along with the concerned stakeholders and board management should review the strategies that can better assure the communities beneficiary and closely follow up the implementation. The researcher recommends that the same study needs to be conducted again but on a wider scope.

Keywords: professional management, supply of subsidized goods, technology, theft, members' participation, capital

CHAPTER-ONE

1. Introduction

1.1 Back Ground of the Study

A Cooperative is an independent group of people who have come together voluntarily to work towards the same economic, social and cultural goals through a jointly owned and democratically run business (Levin, 2003). It is a business operation that aims to balance making a profit with serving the needs and interests of its members and the communities in which they live. According to (Skurnik, 2002), co-operative types of business are used widely over the globe. In addition, it works in the majority of emerging nations with market economies.

According to Develtere (2008) Cooperatives in most African countries have their origins in the colonial period. The colonial governments used the formation of these organizations for the purposes of achieving the interests of the colonial state, rather than the interests of the colonized people. The primary goal of creating these organisations was to make it possible for the government to carry out its socio-economic programs.

Modern cooperative movement in Ethiopia started in 1960 during the regime of Emperor Haile Sillassie I. People are still organised through conventional cooperatives as of the aforementioned years. Four periods of Ethiopia's cooperative movement can be distinguished: (i) Traditional Cooperative; (ii) Cooperative during the Haile Sillassie Regime (1961–75); (iii) Derg Regime (1975–91); and (iv) 1991 Post-Derg Regime.

The first law known as the "Farm Workers Cooperatives Decree" was published as Decree No. 44/1960 in 1960. To accelerate the nation's agriculture economy's growth was one of the requirements for passing this order. The development of cooperative firms was thought to be required since it may make a significant contribution towards achieving this goal, and it was also determined that the appropriate structure must be established. Once the Derg dictatorship fell, and their members had lost faith in the cooperative principle, cooperatives were perceived as communist entities that had no place in a free market economy. ILO's first task at the time was to alter public perceptions about cooperatives. To introduce Ethiopian cooperative leaders to the cooperative experience in a free-market system, study tours to nearby nations were organised.

Following the tours, cooperative managers and trainers were trained, and leadership development initiatives were launched.

By the end of 1996, people's perceptions of cooperatives had drastically changed; in particular, cooperative members were now more aware of the potential contribution that cooperatives could make to their quality of life. All around the nation, dormant cooperatives were revived, and new ones were founded. Savings, credit, and social service cooperatives grew in both rural and urban areas, while housing, consumer, industrial, and craftsman cooperatives were created in urban areas. (DCOMM, 2005). Following 1996, the government also made significant changes. The steps include creating Cooperative Promotion Bureaus and Registrars in each region to unite various cooperative society kinds under one umbrella. The Federal government has also declared Proclamation No. 147/1998, which outlines the conditions for the formation of cooperative societies. Particularly in Addis Abeba Consumer cooperative societies providing welfare for the members based on their purchasing from the society.

The ability to gain advantages in the production and marketing of goods through economies of scale (reduced input and transaction costs), increased bargaining power and market knowledge, and technical knowledge sharing that results in improved production practises and consequently productivity and/or sustainability is something that co-operatives offer where competitive economies work to drive down prices (Fischer and Qaim 2012; Jones, Smith, ann. According to Wanyama, Develtere, and Pollet (2008), co-operatives not only increase member incomes but also produce money through direct employment within the co-op and government agencies that support co-operatives as well as through spillover into nearby firms that collaborate with co-ops and its members. Consumer cooperatives are businesses that are owned and democratically run by customers with the aim of meeting the needs and wants of their members. Consumer cooperatives often have the form of retail outlets owned and operated by their consumers, such as health-care, insurance, housing, utilities and personal finance or comprising credit unions (Deresa, 2017)

The first consumer cooperative to be recognised was founded in 1769 in Fenwick, East Ayrshire, where the local weavers banded together and began selling oatmeal at a discount to its members, forming the Fenwick Weavers' Society (Changamu & Mwangeka, n.d.), as cited by Hoyt (2008) and Edward (2008). Consumer co-operatives are needed as they are possessed by the consumers who are members of the endeavor popularly known as co-operative retail societies or retail co-ops

(Edward, 2008). Consumer cooperatives can operate similarly to other businesses, but its fundamental distinction is that their members double as both the company's owners and its primary clients (Changamu & Mwangeka, n.d.). Workers and peasants were members of the first consumer cooperative in Great Britain in the 18th and 19th centuries. Later, this type of cooperative spread to other European nations including France and Germany. The consumer cooperatives rose to prominence in the labour movement during the industrial revolution. According to (Biset Amene & Yadessa, 2018), the first successful consumer cooperative organization was the “Rochdale Society of equitable pioneers” which was founded in 1844. The tradesmen decided to gather and open their own store selling food items which made them afford. This implies that without the organization they would not otherwise meet the expense of some of the food items they wanted for existence. They were mainly retailing items like butter, sugar, flour, candles and oatmeal which people look for daily existence. With time, the cooperative organisation grew larger, and in 1872, they founded the Co-operative Wholesale Society (Gibson, 2005).

According to (Atsbaha, 2008), Ethiopia's farming community has traditionally exhibited a culture of self-help and cooperation. Urban areas have also seen the emergence of mutual organisations. When communities encounter issues, they come up with solutions based on their values, culture, and beliefs. Numerous self-help cooperatives still operate in Ethiopia. Institutions with an indigenous organisational foundation at the local level include Debo, Mahiber, Iddir, and Iqub. Formal cooperatives would be built on top of these conventional informal cooperatives.

Following the bulk of African nations, where their cooperatives were formed by the Western powers during their colonisation period, Ethiopia has implemented modern sorts of cooperatives in numerous domains. In Ethiopia, the first cooperative organisations were founded in.

Nowadays, there is a rising evidence of positive progress of co-operatives throughout the country, specifically consumer cooperative despite several challenges. Using this fact as a very crucial opportunity to aid the community, the researcher wanted to assess the determinants of consumer cooperatives engagement in community welfare the case of Akaki kality Sub-City Woreda Administration.

1.2 Statement of the Problem

Cooperatives are significant players in the economy around the world. In a free market economy, a commodity's equilibrium price (market clearing price) is set by the forces of supply and demand. We must integrate the demand and supply curves in order to examine how equilibrium price is established. The market clearing price is determined by the spots where the two curves cross. The price and amount supplied must be adjusted downward when there is an excess of supply. When there is excessive demand, the price and quantity requested are forced upward (Dwivedi, 2005, P 50).

The depreciation of the local currency, the birr, the adoption of a new, more liberal investment regime, the giving of autonomy to public businesses, and the implementation of a privatizations programme are just a few of the reforms that have been put into place. The advantage is that it promotes the growth of healthy competition, which raises national incomes (Eleni and Goggin, 2005).

The process by which members and employees develop to retain the identity as their own vision correlates to the building up and tearing down of cooperative identities, which is the reason for the success and failure of cooperatives (Hailu, 2007).

Teklehaimanot (2013) in his study states that “co-operatives are considered as a suitable instrument of rural and urban development. They are fronting serious challenges that retard them from their affirmative role. Some of the limitations of co-operatives are: lack of business management strategy, lack of growth strategy, lack of sense of ownership among stakeholders, lack of commitment, low institutional capacity, lack of skilled manpower, low entrepreneurial talent, deficiency of financial assets, absence of market information, weak members’ participation in various activities such as: - financing the co-operative, enhancing the business activities of the cooperatives, monitoring and supporting”. Those stated multifaceted problems leads the overall activities of the cooperatives in general and consumer cooperative activities in particular difficult to meet their goal (Dawit, 2005).

According to the Central Statistics Agency of Ethiopia's Consumer Price Index, the country's food inflation rate was 43.3% in July 2006, up from 17.9% at the same time a year prior, and the cost of grains increased by 171.9%. Cereals including barley, maize, wheat, and teff are costing more

and more, especially in metropolitan areas. Using white maize as an example, the nominal retail price in Addis was 36% more in 2007 than it was on average between 2002 and 2006. Teff cost 300 birr per quintal in 2007 (about 100 kilograms), but in 2008 it cost 650 birr (14 birr is equal to one euro). What is even more surprising—and occasionally quite annoying—is that the increase is frequently made despite their being a lack of supply compared to demand (Redi, 2008).

In addition to the widespread inflation that is currently occurring, the effect is currently manifested most strongly in our nation's improperly structured marketing system, which is full of abnormal intermediaries. In particular, agricultural products, which are such essential necessities for human beings, are particularly affected by this (FCA, 2008).

The members' ability to support their cooperative society financially and/or economically is quite limited. Cooperatives are therefore struggling with a capital shortage. According to a study, "lack of co-operative independence due to local government meddling, unable of providing basic commodities satisfactorily, on time & regularly; poor governance and management were among others (Begna, 2016)". Other studies stated that "management, finance and member participation are specially raised issues concerning cooperative weakness (Mahazrial Hafizah zurainin, 2012). Even so, cooperative societies find it challenging to survive in the open market because of the government's unsatisfactory support (AUMED ABDULRAZAQ, 2014). Government have not clear and strong strategy as well as sufficient support and guidance for cooperative societies besides the society has do not have satisfactory knowledge about cooperatives (Abdulrazaq & Al, 2014). A different study found that "some of the challenges" (inadequate capital, functional incapability, a problem with good governance, a lack of cooperation among cooperatives, a lack of training, a lack of leadership talent and absence of truthfulness within the managing team) hinder co-operatives level of accountability to low extent (Meniga, 2019).

(Dogarawa, 2020) conducted a study to find out the critical challenges that are most common to co-operatives. The research findings revealed that: 'crisis of ideology', 'insufficient capital', 'credibility' and 'management' are found to be critical.

The incorporation of the required infrastructures to obtain market-current information and a supportive regulatory environment that would permit a competitive market environment are further examples of policy interference (Towera, 2011).

Additionally, this author notes that some of the difficulties they encounter include competition from the private sector and a lack of supplies on the supplier side. The community must establish relationships with other cooperatives, such as producer cooperatives, saving and credit cooperatives, to address the issues associated to a lack of goods and funding, respectively (Deres, 2017).

In Ethiopia according to (Niguse, 2015), empirical study on the area of factors effecting, community welfare fund, share and training of cooperative welfare is rarely available and was not done properly at all.

Even if many researches have been conducted around cooperatives, there are only few on consumer cooperatives that deeply asses and exploit the bottlenecks, despite the issue is sensitive nowadays. Political interventions in the administration can also be mentioned as a governance challenge. The goal of the study is to exploit the major challenging factors and close the gap identified in Akaki Kality sub-city Woreda -07 consumer cooperative office's 2021–2022 annual plan implementation report. Providing information about internal and external factors which hinder the consumer co-operative from accomplishing its mission. Some of them are: - The majority of members are dissatisfied with the majority of the society's products because they are distributed at the wrong time, in the wrong place, and in insufficient quantities; overall management and illegal activities. Also Government tries to control over the price of the goods that are supplied; the price difference with the merchants is insignificant. These above mentioned challenges and other factors makes it difficult for consumer cooperatives to contribute its role for the welfare of the community as per the expectation. This is also true in the case Woreda.

1.3 General Objectives of the Study

The study's main goal is to find out and analyze determinants of consumer co-operative on community welfare in the case of Akaki kality sub city woreda 07 consumer cooperative offices.

1.3.1 Specific Objectives of the study

1. To determine the influence of **professional management** on consumer cooperative's engagement on community welfare in the case woreda.

2. To find out how **supply of subsidized goods** affect consumer cooperative's role of community welfare in the case woreda.
3. To verify the effect of **technology** on consumer cooperative's role of community welfare in the case woreda.
4. To determine how "**theft**" (corruption) influences the role of consumer cooperative's engagement on community welfare in the case woreda.
5. To assess how '**members' participation**' affects consumer cooperative's role of community welfare in the case woreda.
6. To find out how "working **capital**" affect consumer cooperative's role of community welfare in the case woreda.

1.4 Research Question

- ❖ What are the determinants of consumer cooperative's role on community welfare practices in the case woreda?

1.5 Significance of the Study

The study's conclusions will aid cooperative societies that are associated with the cooperative in understanding the factors that influence engagement of the consumer's cooperative on the community welfare (benefits). The findings of the study may also be useful to Addis Ababa City Administration and the Woreda by identifying factors that determine the engagement of the consumer cooperative on the community welfare (benefits) and can find solution that facilitates adjustment in light of the findings. Furthermore, makers of decisions or policies, researchers, other concerned bodies will use the result of the study. In general, the investigation will contribute to the above mentioned as well as upcoming research on consumer cooperatives. Hence, its result contribute to those who seek to find information essential to communal policy.

1.6 Scope of the Study

The study will be carried out in Akaki kality Sub-City Woreda 07 consumer cooperative office with the purpose of assessing determinants or factors that affect the engagement of consumers'

cooperatives on community welfare. Numerous elements might have a favorable or negative impact on the engagements of consumer cooperatives on the community welfare (the dependent variable). The anticipated factors are: - The professional management, supply of subsidized goods, technology adoption, theft (corruption), members' participation and capital which are the predictor or independent variables.

1.7 Limitation of the study

Most of the members of consumer cooperative live in different areas so the collection of data based on questionnaire will take longer time. So, the study considered 122 samples even if considering more samples will have better result. There are no many researches specifically conducted around consumer cooperatives compared to others. Furthermore, it was time taking and needed more effort to convince respondents about the importance of the study.

1.8 Definition of Terms

- ❖ **Co-operatives:** According to the International Cooperative Alliance (ICA), cooperatives are "independent associations of people joint willingly to satisfy their common economic, social, and cultural needs and aspirations through a jointly owned and democratically controlled enterprise."
- ❖ **Consumer co-operative:** - implies democratically run, consumer-owned businesses that strive to meet members' needs and objectives.
- ❖ **Community welfare:** refers to any programme that aims to offer disadvantaged people, such as the poor, the elderly, the disabled, students, unpaid carers like mothers and other carers, and underprivileged groups, with a minimum level of income, service, or other support.
- ❖ **Theft:** -is an act of illegally taking others property characterized by rent-seeking behavior in which public servants use their positions to pursue personal gain.
- ❖ **Management:** - is the ability to conduct a group of accomplishments including scheduling, forming, inspiring, leading, decision making and monitoring.

- ❖ **Technology adoption:** - consists of scientific advancements, product development, and advancements in technology related to automation, information technology, and machinery (Manyara, 2003). Additionally, it combines ideas, knowledge, and information.
- ❖ **Capital:** is often cash or other liquid assets that are kept on hand or acquired for use in transactions. All of a company's monetary-valued assets, such as its inventory, real estate, and equipment, might be collectively referred to by the word. But when it comes to planning a budget, cash flow is capital.
- ❖ **Subsidize:** - pay part of the cost of producing (something) to keep the selling price low.
- ❖ **Safety net:-** Programmes that shield families from the effects of economic shocks, natural disasters, and other crises.

1.9 Research hypothesis

In this section, testable hypothesis is developed to examine the relationship between determinants of consumer cooperatives engagement on community welfare in Addis Ababa Akaki Kality sub-city woreda 07. This sample-based confirmation or denial of economic theories is based on a statistical theory subfield known as statistical inference (hypothesis testing). According to Brook (2013), there are always two hypotheses in the framework for hypothesis testing (null(H_0) and alternative(H_a)). Null hypotheses are the statement or statistical hypotheses to be tested while alternative hypotheses imply the remaining desirable results. To calculate the sign effect of determinants of consumer cooperatives on community welfare (benefits) in Addis Ababa Akaki Kality sub-city woreda 07; the researcher will create the following alternative hypotheses with the help of review of empirical data in the literature sections, the following alternate hypotheses will therefore be tested:

Ha₁: Professional management skill has significant influence on the engagement of consumer cooperative's community welfare.

Ha₂: Adequate supply of goods has significant influence on the engagement of consumer cooperative's community welfare.

Ha₃: Technology has significant effect on the engagement of consumer cooperative's community welfare.

Ha₄: Theft has significant influence on the engagement of consumer cooperative's community welfare.

Ha₅: Members' participation has significant effect on the engagement of consumer cooperative's community welfare.

Ha₆: Capital has significant impact on the engagement of consumer cooperative's community welfare.

1.10 Organization of the paper

The study includes five chapters. Chapter one will deal with the introduction, Background of the study, Statement of the problem, Objectives of the study, Research questions, Significant of the study, Limitation of the study. Chapter two briefly describes the Review of literature. Chapter three assesses methodology used in the research. The fourth chapter contains the Results and Discussion part of the study. Finally, the last chapter concludes the whole work along with recommendations based on the results.

Chapter two

2. Literature Review

2.1. Concepts of Cooperatives

Co-operative can be defined in different ways. According to the International Labour Organisation (ILO), a cooperative is a group of people who have voluntarily joined forces to pursue a common goal through the establishment of a democratically controlled organisation, contributing fairly to the capital needed and acquired and accepting a fair share of the risks and rewards of the undertaking in which the members actively participate. The United States Department of Agriculture (USDA), which adopted this term in 1987, is another frequently used cooperative definition: A cooperative is an organisation that is owned and run by its members and that distributes advantages based on usage. User ownership, user control, and proportional benefit distribution—commonly referred to as the three main cooperative principles—are encompassed by this formulation (David 1989). According to the International Cooperative Alliance (ICA), cooperatives are: an independent group of individuals who have come together voluntarily to support a business that is jointly owned and democratically run and that serves common economic, social, and cultural goals.

Cooperatives, according to C.R. Fay (1908), are associations of individuals—small producers or consumers—who come together voluntarily to pursue some common goals through the exchange of services through group economic enterprises that are run at everyone's expense and with resources they all contribute..

According to Chambo (2009), a cooperative is typically defined by four key words: first, it is founded by a group of people who are working together to solve a specific need or issue. Second, the group is created voluntarily by its members after adding to its resources. Fourthly, it is an autonomous firm promoted, owned, and managed by members to suit their requirements. Thirdly, the organisation was founded and is governed democratically in order to attain desired objectives on equitable norms.

2.2. Origin and History of Consumer Cooperatives

The consumer's cooperative movement owes its origin to the famous Rochdale cooperative store established in 1844 in Britain. The success of the consumer movement is so well known, that it needs no detailed description. The movement has flourished in other European countries also but it did not make any headway in this country till the Second World War which gave a stimulus to this form of cooperation. Acute shortage and high prices of food grains and other necessities of life during the war and post war period, made controlled rationing a great necessity. It was the cooperative institutions which were considered to be the best agencies to make fair distribution of such goods and check black marketing. This movement has achieved spectacular success in some of the western countries like Sweden, Denmark, Finland and Britain (Orthman & King, 2007).

2.3. Meaning and Definitions of Consumer Cooperatives

Jain, M.K. 2013, in his article "Consumer Cooperatives", has given detailed information on the retail sale of consumer goods, public distribution system and rationalization of fair price shops, supermarkets, opening of self-service shops, mobile van shops and the like. Himachalam, D. emphasized the general problems of consumer cooperatives, consumer satisfaction, professionalism, product mix, sales efficiency, challenges and new strategy. Contrary to worker collectives and producer cooperatives, which are owned and controlled by individuals who provide goods and services to consumers, a consumer cooperative is a retail firm that is owned and governed by those who receive goods and services. (Sommer, 1991). In this country, consumer cooperative societies are quite new. Due to the country's primarily agricultural economy, partial crop failure in one or more regions occurs frequently. Production is also largely dependent on the whims of the monsoon. Again, when there are such production gaps at home, wholesalers and retailers frequently invent false shortages. Under addition, private trade tends to boost profit margins, which is especially obvious under such circumstances. In order to exert a positive influence on individual distributors, the government has supported consumer cooperatives as a different method of distribution. Consumer cooperatives were established much earlier, but during the Second World War, their numbers dramatically rose.

2.4 Function of consumer cooperatives

The society that obtains a variety of home goods for its members at a reasonably fair price and ensures that the commodities are available to its members at any time has been needed, according to Deresa (2017) as referenced in Hajala, (2000). Goods and services are being distributed at a lesser cost because to the consumer cooperative society (Singh, 2016). It increases the member's purchasing power (Deresa, 2017).

Consumer cooperatives are created with the intention of controlling market price fluctuations, establishing marketing connections, safeguarding consumers against monopolies, and distributing goods and services at fair prices with the maximum level of consumer satisfaction (Kanagaraj and Mosisa, 2015).

2.5 Cooperatives and Market Economy

(With & The, n.d.) state that Cooperative societies operate within the confines of a market economy, which is a type of organisation that can be explained just like any other type of organisation. It implies that they must uphold both the ideals and principles that define them and the regulations that ensure the efficient operation of such an economic model. It is vital to determine which set of rules should take precedence when a disagreement between the two sets occurs. The existence of competition is one of the fundamental tenets of a market economy, and this is probably the area where cooperative rules are most likely to be in conflict (Mejia, 2014).

2.6 Values of cooperatives

Cooperatives are built on the values upon which they were created, claims the ICA (1995), declaration on the cooperative identity. These principles are categorized as ethical and fundamental principles. The ethical principles include openness, honesty, social duty, and compassion for others, whereas the fundamental values are self-help, empowerment, self and mutual responsibility, democracy, equality, justice, and solidarity.

2.7 Principles of cooperatives

The cooperative principles serve as a set of recommendations for how cooperatives live out their values. Cooperative societies differ from other types of commercial organisations in that they possess a number of distinctive guiding principles or traits (Shurnik, 2006). In order to direct the operations of global cooperative movements, the ICA (1995) defined seven essential cooperative

principles. The cooperative society's proclamation No. 147/1998 of the FDRE also states the principles, according to Dagnachew and Addissie (2009). They consist of the following:

- ❖ **Voluntary and open membership:** - Cooperatives are nonprofit organisations that welcome anybody who can use their services and is ready to take on the obligations of membership, regardless of gender, socioeconomic class, race, political affiliation, or religion.
- ❖ **Democratic member control:-** Cooperatives are democratic businesses that are run by its members, who take an active role in deciding on policy and other matters. Both men and women who hold elected office are answerable to the membership. One member, one vote applies to primary cooperatives, and democratic governance is also used to organise cooperatives at higher levels.
- ❖ **Member economic participation:-** Equitable member contributions and democratic member control over the cooperative's capital are both practises. Typically, a portion of the capital belongs to the cooperative as common property. As a requirement of participation, members often receive minimal compensation, if any, on capital subscribed. Developing their cooperative, possibly by creating reserves, at least a portion of which would be indivisible; providing benefits to members in proportion to their interactions with the cooperative; and funding other activities are all possible uses for surpluses that members may choose to give.
- ❖ **Approved by the membership:-** Cooperatives are independent, self-reliant businesses that are run by their members. They do so on terms that guarantee democratic governance by their members and uphold their cooperative autonomy if they enter into agreements with other organisations, including governments, or raise money from other sources.
- ❖ **Autonomy and independence:-** Cooperatives are independent, member-run organisations that promote self-help. If they sign into agreements with other organizations, such as governments, or obtain funding from other sources, they do so under conditions that guarantee democratic control by their members and uphold their cooperative autonomy.
and

- ❖ **Education, training and information:-** In order for their members, elected officials, managers, and staff to actively contribute to the development of their cooperatives, cooperatives provide them with education and training. They educate the broader public about the nature and advantages of cooperation, focusing in particular on young people and opinion leaders.
- ❖ **Cooperation among cooperatives:-** By cooperating through local, national, regional, and worldwide frameworks, cooperatives best serve their members and advance the cooperative movement.
- ❖ **Concern for the community:-** Through the adoption of member-approved policies, cooperatives contribute to the sustainable growth of their communities..

2.8 Cooperative in Ethiopia

Since the beginning of time, Ethiopians have cooperated to meet their socioeconomic demands. Numerous occasions have served as examples of their cooperation and solidarity. According to Atsbha (2008), peasants used to farm their lands collectively by using the terms "Debo," "Wonfel," "Gige," and "Iqub". They also built their homes and hunts together and herded their livestock together. Cooperation was used to carry out military operations, trade, and agriculture. Rural Ethiopia still has a thriving social life because to community efforts. Around the 1950s, Ethiopia saw the emergence of its first cooperative movement (Kodama, 2007). Cooperative business organizations have been recognized by Ethiopia's Federal Government as a tool for socioeconomic transformation, particularly in achieving food security, which results in sustainable development. 10 unions and 146 consumer cooperatives with a combined capital of 14,909,265 birr are listed as existing in Addis Abeba, according to data acquired from the Federal Cooperatives Agency (FCA, 2014). Human collaboration as an idea is not new. It existed even before the contemporary cooperative was created. The Ethiopian farming community has traditionally been characterized by a culture of self-help and cooperation. Urban areas have also seen the emergence of mutual organisations. When communities encounter issues, they come up with solutions based on their values, culture, and beliefs. Numerous self-help cooperatives still operate in Ethiopia. Formal cooperatives would be built on top of these conventional informal cooperatives. In Ethiopia, the first cooperative organisations were founded in the 1950s (Couture et al., 2002). From 1974 to 1991, the cooperatives operated under the Derg Regime(5) (Dorsey & Tesfaye, 2005).

Because they were founded on Marxist ideals, cooperatives under the Derg dictatorship conducted entirely different business than cooperatives of the Western variety. According to the government's assertion (Desalegn, 1990), cooperatives were created "to put an end to capitalist exploitation and to prevent the reemergence of capitalism in agriculture." The Derg regime's cooperative endeavours came to an end in 1990. The majority of peasants chose to reallocate cooperative lands to individual holdings when the new mixed economic policy went into effect and gave peasants the option of working for cooperatives or personally (Desalegn 1994; Gezachew 1994; Tessema 1994).

Some SCs were looted and vandalised by locals for their assets after the Derg regime fell in 1991, during the chaos of the transitional period (Desalegn, 1994), while others scaled back their operations due to intense competition with private traders after trade liberalisation (Kodama, 2003). After the bulk of African nations, whose cooperatives were formed by the Western powers during their colonisation period, Ethiopia has implemented modern types of cooperatives in several areas of Endeavour. In reality, Addis Abeba was the location of the first consumer cooperative organisations, which were founded in 1945 (ILO, 1975).

However, modern or "imported" co-operatives were first formally launched until Decree No. 44 of 1960. The "Co-operative Society Proclamation No. 241 of 1966" replaced the decree No. 44/1960.

This proclamation's main goals were to raise farmers' living standards, improve company performance, and advance agricultural techniques. In actuality, the wealthy commercial farmers who lived in the most promising locations benefited from this pronouncement. The Derg liquidated all cooperatives except for the housing and saving cooperatives, which were established in accordance with Proclamation 241/66, at the start of the co-operative identity crisis. At that time, cooperatives were primarily political organizations rather than independent ones. The proclamation of 138/ 1978, which said that cooperatives must be organised to pursue political agitation, clearly demonstrated this. A further statement from Article 3.6 reads, "Co-operative is organised to participate in the building of the socialist economy" (Etefa, 2019).

ILO argues unequivocally that a large number of cooperatives in Africa are not (or were not until recently) "genuine" since they serviced the government, a political party, or particular people

rather than their members. Cooperatives have the potential to turn into tools of oppression when the State absorbs them. Ethiopia's peasants' associations, which pushed farmers into collective production against their choice, serve as an example (albeit they have since been disbanded). So, the socialist philosophy served as the foundation for the proclamation's implementation. "Co-operative Societies Proclamation No. 147/1998" replaced "Co-operative Societies Proclamation No. 85/1994" for the creation of numerous cooperatives across the country. The following cooperative societies are specifically mentioned in this proclamation: Agricultural, Consumer, Housing, Industrial and Artisan Producers, Saving and Credit, Fishing and Mining. Cooperatives are set up in accordance with this proclamation in order to address issues together, provide better results by pooling their resources, knowledge, and labour, encourage member independence, and enhance living standards.

The primary goal of the Ethiopian government's promotion of cooperatives is to turn them become independent self-help organisations (Teklehaimanot, 2013). It was the main reason for setting up Cooperative Promotion Department in Prime Minister's office, Co-operative Promotion Bureaus in regions and in line administrative units (zones and woredas) and later Cooperative Commission was started at federal level.

In his 1994 Report to the General Assembly, former UN Secretary-General Boutros Boutros-Ghali wrote, "Cooperative enterprises provide the organisational means whereby a sizeable fraction of mankind is capable of tackling these issues on its own, including eradicating poverty and establishing social integration. Therefore, the aim of consumer cooperatives is to fulfil consumers' desires and expectations. And emphasis is placed on the accountability of management to consumers rather than to shareholders.

The majority of retail establishments were built on the pioneers of Rochdale's ideas. Open membership, democratic control, market-based cash trading, fixed capital, and dividend on purchases are some of these guiding concepts. A consumer store's primary goal is to provide its members and customers with the services and commodities they need for daily consumption. It must deliver items at a fair price and safeguard members' interests, according to Begna (2016). Additionally, these stores are anticipated to maintain the price range and prevent independent business owners from abusing customers.

2.9 Theoretical Framework

Welfare is a concept that is challenging to describe. It can be characterized as a state of happiness (Fleurbaey, 2008). According to Dodge et al. (2012), wellbeing is a condition of equilibrium or balance that can be impacted by stressful situations or life events. This idea is expanded upon by the welfare state, which offers benefits like unemployment insurance and universal health care. Therefore, a person needs a collection of factors known as welfare in order to live a life of high quality. Depending on the degree of social happiness among community members, welfare can also be a state of satisfaction and take many different forms (Kabega, 2017). In this study, welfare is defined as the capacity of consumer cooperative members to offer essential and other commodities to the general public at fair and competitive rates as well as the expansion of assets. (KABEGA, 2017).

Welfare can take many different forms, including cash handouts, discounts and vouchers, or housing aid. Welfare is frequently given to people who are unemployed, sick or disabled, old, have dependent children, or are veterans. Welfare systems vary from country to country. Means testing or other requirements may also limit a person's eligibility for welfare. (Jane, 2013)

The United Nations stated in 1988 that "Developmental social welfare emphasizes the organisation of family-oriented, community-based, and integrated services, with a focus on maximising human potential and on developing self-reliance and participation in decision-making". In addition to helping those in need of care, protection, and financial assistance, social welfare programmes help individuals and groups at all times and in diverse conditions of life to develop their capacities and to become or remain active members of society.

Consumer cooperatives, at least in Europe, have historically had a considerable impact on consumer welfare. There are several instances of cooperatives that have destroyed monopolies and cartels, lowered prices, streamlined distribution, increased product quality, etc., all to the advantage of customers. However, most of this occurred when cooperatives were less degenerate than they are now, meaning that their qualities were more in line with the ideal cooperative model (Nilsson, 1985).

Cooperative movements have various obstacles that prevent them from functioning effectively and achieving their goals. In terms of administration and resource availability, an organization's or cooperatives organisational design presents the biggest difficulties. Therefore, the theory of strategic management will serve as the foundation for the study (Child et al., 2005).

A cooperative approach is defined as an effort by organisations to achieve their goals through collaboration with other organisations as opposed to competing with them. This premise holds true for people who pool their resources to gain an advantage. Henry (2008) has discussed and detailed the same. According to his book, a strategy should enable an organisation to gain a long-lasting competitive edge. He creates a framework that clearly analyses the internal and external resource capacities of organizations.

This shows how important the organization's managerial skills and the source of its resources are. In this regard, a strategy can be viewed as essential to achieving the objectives of an organisation based on the finest managerial practises. To gain a competitive edge, a strategy should be developed in a way that enables an organisation to effectively match its resources and competencies to the needs of the external environment (Kay, 1993).

In this instance, external influences are crucial and should be taken into account in cooperative administration to ensure its longevity. In every organisation, one person cannot develop or implement a plan alone (David et al., 1999). In his explanation of the Mintzberg's 5Ps strategy, which includes a plan, a ploy, a pattern of behaviour, a posture of respect for others, and a perspective, he raises the possibility of some level of member involvement in the creation and maintenance of the strategy.

Internal and external situational analysis have been discovered to be of the utmost importance for the success of any organisation in this theory of strategic management. In the internal environment, resources, competencies, goods, human resources, and culture are extremely important. Management should take into account external environmental issues including competition, demand and supply, and substitutes, all of which constitute a threat to the cooperative or organisation. The purpose of the study is to identify and provide evidence for how this theory highlights the underlying difficulties and factors that affect cooperative performance in the studied area.

2.10 Empirical Review

A study by Teklehaimanot (2013) revealed that critical factors that affect consumer cooperatives from addressing their purpose are found to be lack of business management strategy, lack of growth strategy, lack of sense of ownership among stakeholders, lack of commitment, low institutional capacity, lack of skilled manpower, Low levels of entrepreneurial competence, a lack of financial resources, a lack of market knowledge, and weak member participation in various cooperative operations including funding, patronizing, and supporting them.

Sexton, R. J., & Iskow, J. (2021) reported that the competitive role of consumer cooperatives in market-oriented economies.

The 'demographic' qualities of cooperative members and directing board members, as well as the members' engagement with the cooperatives and mutual trust among them, have all been examined in a number of studies (Hakelius, 2009; Azadi & Karami, 2010). The benefits that members receive from the cooperative, involvement in cooperative governance, and the cooperative's capacity to translate members' demands into decisions are only a few of the elements that influence members' commitment (Osterberg & Nilsson, 2009).

In order to examine the role of agricultural multipurpose cooperatives in the Tigray Region of Ethiopia, Alema (2008) performed his study on 10 primary agricultural multipurpose cooperatives and a total of 208 sample respondents. Based on a two-year audit report, financial ratios were used to analyse the financial performance of primary agricultural multifunctional cooperatives. The Probit model was also applied to determine the factors impacting cooperative members' participation in input and output markets. The financial ratio results showed that the cooperatives under consideration had an unsatisfactory profitability ratio and a current ratio of less than 2.00. They also funded a larger portion of their total assets with creditors' funds. According to the econometric analysis, cooperative members' engagement in the sale of agricultural inputs and outputs was considerably and favourably impacted by their ownership of land, shareholding, proximity to cooperatives, output price, membership in other cooperatives, and seed price.

In his study findings, Nuradin (2015), cited in Etefa (2019), stated that issues preventing cooperatives from playing a role in economic development included: a backward attitude, a lack of committed leadership, a lack of good governance, a lack of working capital, a mindset and

practise of corruption, a lack of knowledge and skill, a lack of availability and use of improved technology, weak vertical and horizontal linkages within and among cooperatives, and inappropriate support for cooperatives.

According to Meniga(2019) the main challenges of cooperatives are The ineffective operation of cooperatives in Ethiopia is attributed to a number of factors, including a lack of capital, the pursuit of conventional activities, weak organisational structures, a lack of good governance, a lack of business cooperation between cooperatives, a lack of training, education, and facilitation services, a lack of managerial ability, a lack of honesty on the part of certain cooperatives' administration and members. Government resources for encouraging members to participate in the general assembly and election committee are limited in terms of both personnel and other resources. As a consequence, low chance to propagate the concept, philosophy and principles of cooperatives (Dr.G.Veerakumaran, 2007). It also states in his finding that due to low economic status; members can't contribute considerably to build infrastructural facilities.

2.11 Summary of Literature

The researched literature provides insight into the effectiveness and significance of cooperatives in human socioeconomic development. A quick summary of the different sorts of cooperatives can be found under performance of cooperatives. The fundamental ideals and principles of cooperatives are often emphasized as the rules that support cooperative movements. Discussions include the advantages and performance indicators. The studied literature demonstrates that the independent factors under inquiry have some bearing on the results of the dependent variable. These independent variables include the number of members, leaders' levels of education and training, income, and managerial calibre. The study's theoretical framework is based on strategic management, highlighting the fact that the study's main issue is management quality.

In the literatures, the variable 'management skill' is limited to the higher officials. It states only leadership quality. But it should be contextualized more strongly as professionalism. Currently, Cooperatives management is emerging as a department in universities. Professionalism should be applied at all levels of consumer cooperatives staff through training.

The variable ‘Corruption’ is concerned to mention the situation at the top level management. But the information gathered from the consumer cooperatives reveal that this act is at all levels of staff; which can better be expressed as ‘theft’,

Small-scale, non-commercial and/or less commercial cooperatives in urban woredas, and particularly the small marginalised or rural cooperatives, are not included in any of the research articles we studied. As a result, this creates a research gap that the study aims to fill by incorporating both small- and large-scale or commercial cooperatives in the study's focus.

2.12 Conceptual Framework

The relationship between the variables under examination is demonstrated using a conceptual framework (EW Nabusiime, 2022). In this study, we aim to identify determinants of consumer cooperatives engagement on community welfare. Hence independent variables will include:-, Theft, members’ participation, capital, technology, professional management and inadequate supply of subsidized goods. The dependent variable will be community welfare which is measured on the significance of price difference between traders and consumer cooperatives shop as well as.

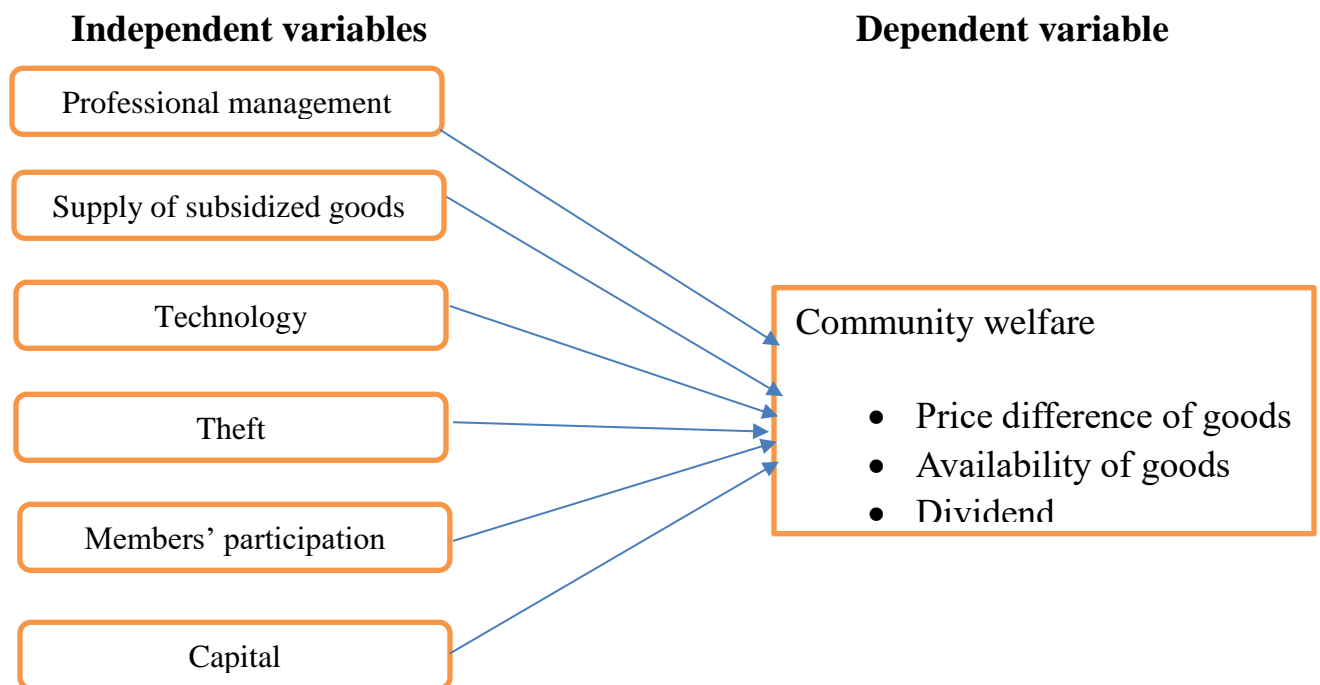


Figure 2.1: Conceptual framework

Source: adopted by reviewing different literatures

2.13 Operational definition of variables

In this section of the methodology, independent variables that were measured during the course of the study are attempted to be operationalized. These independent variables are generated from the study's goals or contributing elements. The table below shows and describes the operational definition of variables.

Table 2.1: Operational definition of variables

Research variables	Operational definition	Literature	Method of Data Collection	Methods of Data Analysis
Professional management	Education level, credentials needed, leadership qualities, and management experience	(Debisa, 2023) (Shirima, 2022; Tuan, 2018; Henry, 2008; Bruynis et al 2000); (Ali, 2012; Dayanandan & Huka, 2019; Rajaratnam, et al, 2010) Cole(2010) Mudibo(2009) Armstrong(2003)	Questionnaire	Descriptive statistics
Supply of subsidized goods	sufficiency , timeliness and consistency of basic goods availed	Ravichandran and Padmanabhan (1998)	Questionnaire	Descriptive statistics

Technology adoption	Infrastructure for technology and technical aptitude	Mitchell(2002) Hollensen(2003) Maidique and Patch(2008) Herman(2008)	Questionnaire	Descriptive statistics
Theft	Monetary theft, selling of products illegally to merchandisers instead of consumers	Harley & Anthony,(2009) Smith(2016)	Questionnaire In-depth interview and FGD	Descriptive statistics
Members participation	Decision making, attending the general assembly meeting, growing share capital, cooperatives education, conflict resolution	Omholt (1991) Davis(1969) Vishwanathan(1994) Surendran(2000) Dejene and Getachew (2015)	Questionnaire In-depth interview & FGD	Descriptive statistics
capital	Cash requirement, resource to be converted into cash	Atsbeha(2008) Daniel (2006)	Questionnaire -In-depth interview	Descriptive statistics

Source: Own

2.14 Dependent variable

The dependent variable is the community welfare (benefits). It is described in terms of price difference, availability and dividend to its members.

2.15 Research Hypothesis

HPa₁: Professional management skill has significant impact on the engagement of consumer cooperative's community welfare.

HPa₂: Adequate supply of goods has significant impact on the engagement of consumer cooperative's community welfare.

HPa₃: Technology has significant impact on the engagement of consumer cooperative's community welfare.

HPa₄: Theft has significant impact on the engagement of consumer cooperative's community welfare.

HPa₅: Members' participation has significant impact on the engagement of consumer cooperative's community welfare.

HPa₆: Capital has significant impact on the engagement of consumer cooperative's community welfare.

Chapter Three

3. Research Methodology

This section gives a general description of the research methodology for the study, which is based on a mix of mixed methodologies strategies. The researchers not only need to know how to develop certain indices or tests, how to calculate the mean, the mode, the median or the standard deviation or chi-square, how to apply particular research techniques, but they also need to know which of these methods or techniques, are relevant and which are not, and what would they mean and indicate and why. The following section covers; research design, population, sampling technique instruments, certain problems and others will not.(Patel & Patel, 2019)

The section also discusses sampling frame, sample size and, data collection procedures, questionnaire design, data processing and analysis, finally ethical consideration of the researcher. and ethical concerns.

3.1 Research Design

Creswell (2014) asserts that research design is the road map for achieving research objectives and addressing research questions. In other words, it is a master plan that outlines the techniques and steps to be taken in order to gather and analyze the necessary data. It guarantees that the study will employ cost-effective methods and will be pertinent to the issue.

The goal of research design is to interpret a research problem into data for analysis so as to provide relevant answers to research questions at a minimum cost. Hence, the essence of this research is to develop depth understanding of the determinants of consumer co-operative engagement on community welfare in Akaki kality sub city woreda 07 administration.

The research design is the conceptual structure with in which a research is conducted; it constitutes the blueprint for the collection, measurement and analysis of data (Kothari, 2004). In other words, it is a master plan specifying the methods and procedures for collecting and analyzing the needed information.

In order to give adequate findings and conclusions from the research that would allow the researcher to make suggestions or implications based on the study, the research design must include a method for interpreting the analyzed data.(Asenahabi, 2019)

Explanatory research methods and a quantitative research strategy are used in the study at hand. The explanatory study design, according to Saunders M. and Lewis P. (2016, p. 178), makes it possible to identify causal correlations between variables and subject the data to statistical tests in order to obtain a greater understanding of the relationship. The intention of the study is to assess and describe the existing determinants of consumer cooperative engagement on community welfare in the case of woreda 07 administrations cooperative office. Descriptive research design is that the researcher has no control over the variables; he can only report what has happened or what is happening (Kothari, 2004). Explanatory research attempts to simplify why and how there is a relationship between two or more aspects of a condition or phenomenon. Explanatory research tries to find out explanations of observed phenomena, problems, or behaviors. It attempts to identifying causal factors and outcomes of the target phenomenon(Biset Amene & Yadessa, 2018).

Additionally, many quantitative data collection methods and associated analytical techniques may be used in a quantitative study design. (Lewis P. and Saunders M., 2016) .The questionnaire will be tested by conducting a pilot research on 13 respondents of various demographic structures. Questionnaires from this part of the research will be input and processed into software for statistical data processing SPSS Statistics 25.0

In this study both qualitative and quantitative approach will be used for the successful accomplishment of the study.

3.2 Research Approach

According to Moody/2002 as cited in Biset Amene, T., & Yadessa, A. (2018), Qualitative data is appropriate since meanings are based on expressions through words and analysis is conducted through the use of conceptualization. Qualitative research aims to gather depth understanding of human behavior and the reasons that govern such behavior. The researcher also used this approach to fill the gap that cannot be covered by quantitative approach. Quantitative data is numerical data or data in the form of numbers that can be analyzed by using statistical techniques. Quantitative research refers to the systematic empirical investigation of quantitative properties and phenomena and their relationship. Therefore, this paper will focus on quantitative data.

3.3. Data Type and Source

Data collection refers to the process of gathering raw and unprocessed information that can be processed into meaningful information, following the scientific process of data analysis. (Kotler & Keller, 2010) The data to be used for this study will be both primary and secondary types of data and will be collected from both primary and secondary data sources. This study will use both quantitative and qualitative data. Qualitative data will be collected from primary sources and quantitative data will be collected from secondary sources.

The primary data will be collected through questionnaire, Semi- structured interview. The secondary data were acquired by consulting the available records and conducting online searches that were based on published sources that were made available in the form of journals, papers, library books, internet browsers, other studies, reports, etc.

The most popular Web search tools for looking up secondary sources are;

Many reports and thesis works from within and outside of our country have been used in addition to the journals and/or articles, and have been downloaded from the internet utilising the Web search engines indicated above and others.

3.4. Sampling Design

3.4.1 Target Population

A population, according to Salkind (2018, p. 85), is a collection of possible participants that you can define into a manageable form for your research. Saunders M. and Lewis P. (2016, p. 274) aim to generalise a study's findings. A sample is an illustration of that population. And generalizability is the name of the game; study findings only have significance outside of the specific context in which they were initially gathered when they can be extrapolated from a sample to a population. Population is the universe of units from which the sample is to be selected. The number of people living in a particular study area considered as a target population of the study area and in the study, area using list of legally registered consumer co-operatives members as a sampling frame.

The study has focused on cooperative in Akaki Kality Sub-City Woreda 07. To obtain enough data about the cooperative at the woreda, seven active consumer cooperatives shops with a total of 175

members formed the population that will be investigated. That is the population for the study is made from 25 members from each Ketena (Zone).

3.4.2. Sampling Unit

Sampling is related to the selection of a subset of individuals from within a large population to estimate the characteristics of the whole population (Singh & Masuku, 2014). The smallest thing that can produce a response is a sample unit. Ordinarily, the survey sample unit will consist of individual people. Each person in the population might be a sample unit. The sampling unit is a decision that has to be taken concerning a sampling unit before selecting the sample (KOTHARI, 2004). This study involves three units of analysis. The major and primary unit of the sample is the community of Akaki kality Sub-City Woreda 07 administrations. Second, members of woreda 07 administration consumer cooperatives that are engaged in more activities in the consumer cooperatives are considered as the second unit of the sample. Third, Board members, manager and employees who facilitate the consumer cooperative taken as a third unit.

3.4.3 Sampling Technique

Sampling is related to the selection of a subset of individuals from within a large population to estimate the characteristics of the whole population (Singh & Masuku, 2014). 7 consumer cooperative shops with more than 4,250 members are sampled using stratified random sampling, and the population of woreda 07's 175 members is randomly selected. For the study's population, the researcher took into account 25 members from each of the woreda's seven consumer cooperative businesses. The most popular sampling technique, stratified random sampling, will be more acceptable given the homogeneity of the target population (Abowd, 2005). In a variation on random sampling known as stratified random sampling, the target population is split into two or more significant strata according to one or more attributes. Lewis P. and Saunders M. (2016, p. 278). This study is based on 7 ketena (zones) of Akaki kality woreda 07 consumer cooperatives whose distinct members can be taken as stratum each.

For the purpose of collecting information from the boards, managers, and staff of consumer cooperatives, the researcher utilised judgmental or purposive sampling. A type of non-probability sample called a purposive sample is one in which the people picked for the study appear to fit the criteria. This method of sampling typically takes into account the traits that are most typical of the

type being sampled, tries to locate individuals who fit these criteria, and then attempts to study them (KOTHARI, 2004).

3.4.4 The Sample Size

The number of observations or data points per series in a sample, according to Brooks (2013). Sampling is a process of selecting an adequate number of elements from the population so that the study of the sample will not only help in understanding the characteristics of the population but will also enables us to generalize the results (Chawla and Sondhi, 2011). Sampling refers the procedure through which we pick out from a set of units that make up the object of study (the population), limited number of cases (sample) chosen according to criteria that enable the results obtained by studying sample to be extrapolated to the whole population (Corbetta, 2003). Although there are no general rules, the sample size usually depends on the population to be a sampled. The researcher accepted a maximum sampling error of 5% with a 95% level of confidence. Randomly chosen consumer cooperative members were used to calculate the sample size; in the case of the worda, the entire number of consumer cooperative members was used. Following this , to get the exact number of respondent, the formula given by Yemane(1967)is used.(Etefa, 2019)

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

Where N= the total population for members of consumer cooperative.

e = sampling error estimated

n = total sample size which is taken from the calculation

So, the researcher sample is
$$n = \frac{175}{1 + 175(0.05)^2} = \underline{\underline{122}}$$

Based on this formula, 122 respondents (target population) were used as sample for this study and the key information for the study has collected from 122 individual members of the cooperative through questionnaire by cross-sectional survey to admit the objective of the paper. The sampling frame is determined by equal division of the target population size in to seven, but since 2(two) remained the researcher purposively added 1(one) to the 4th and 7th ketena (zone). The target population is operationally defined by the sample frame. A sampling frame is a comprehensive list

of the elements from which the sample is drawn.(Hair et al., 2016, p. 174). The table below shows the sample frame;

Table 3.1 Sampling frame

consumer cooperatives shops	Population	Population proportion	Sample size	Percentage
Ketena-1	25	0.143	17	13.9
Ketena-2	25	0.143	17	13.9
Ketena-3	25	0.143	17	13.9
Ketena-4	25	0.143	19	15.57
Ketena-5	25	0.143	17	13.9
Ketena-6	25	0.143	17	13.9
Ketena-7	25	0.143	18	14.75
Total	175	≈1	122	≈100

Source: Own

3.5 Data Collection Instrument

i. Questionnaire

According to (Academy & Journal, 1986) even if data for organizational survey are often gathered directly from organizational members, through paper and pen or oral interviews by using electronic mail by less cost the researcher will be used by designing open and close ended questionnaire. The research instruments were personally –administered or self – administered questionnaires. The questionnaire was adapted from previous studies relevant to the present study and modified by the researcher.

The questions in the questionnaire are modified in order to obtain data pertaining to the research objectives (general and specific objective) and the research questions. Five components make up the questionnaire. Hence, independent variable (determinants of consumer cooperative engagement in community welfare) is measured by using items by a five-point Likert format having a range of attitudes like strongly disagree represented by 1, strongly disagree; 2 disagree, 3 neutral; 4, agree; and 5 strongly agree. To gauge the degree of agreement or disagreement with a statement, Likert scales frequently employ a five-point scale. For each point on the scale you can develop a label to express the intensity of the respondent’s feelings.(Hair et al., 2016, p. 274)

Likert scales frequently employ a five-point scale to determine how strongly a statement is agreed upon or disagreed upon. You can create a label to describe the degree of the respondent's feelings for each point on the scale. In 2016, Hair et al., p. 274,

According to (Bougie and Roger, 2016, p.143), personally distributing the questionnaires is a good way to collect data when the survey is limited to a local area because the researcher or a member of the research team can quickly gather all the completed responses and is less expensive. The researcher can also explain the subject of the study and encourage participants to be open and honest in their responses. This scale is used to test impact of determinants of consumer cooperative engagement on community's welfare' the case of Akaki kality Sub-City Woreda 07 consumer cooperative office.

Interviews: Face-to-face encounters are crucial in qualitative research, according to Towera/2011 as referenced by Marshall and Rossman (1999), in order to grasp the significance that participants assign to human actions as well as their thoughts, beliefs, and values. I was able to comprehend the extent of the influence of the factors of consumer cooperative engagement on community welfare with the aid of semi-structured and one-on-one interviews. According to Megel and Heermann (1994), the interview guide offers interviewers a clear set of instructions and can produce trustworthy, comparable qualitative data. Interviews with 5 board members, 1 cooperative office manager, and 3 office staff will be used to collect the data. A total of nine participants will be interviewed in order to gain an insight into the member's perceptions on factor affecting consumer cooperative on community welfare.

3.5.1 Instrument Reliability and Validity

The researcher must make sure the variables (indicators) chosen to represent and measure the concept do so in an accurate and consistent manner before using the scores from any concept (construct) for analysis. Validity and consistency are related to each other by the term, whereas reliability and consistency are related by the word. (Hair et al., 2016, p. 250)

A survey instrument (questionnaire) is regarded credible if its frequent use results in consistent scores. This is predicated on the concept's (construct's) definition remaining constant from application to application. Consistency in study findings is an issue for reliability. No of the format of the inquiry, reliability is crucial, but it is most commonly associated with multi-item scales.

Multiple items (variables, indicators) that each reflect a different notion make up multi-item scales. A single item is a declaration or query that responders assess as a component of the overall idea. The degree to which a measurement tool can produce repeatable findings when used in identical circumstances is referred to as its reliability. The measuring tool's component is what makes it produce comparable results for comparable inputs. 2016's Hair et al., p. 252

According to statistics, reliability is the proportion of survey responses that are inconsistent because of variations in the respondents. It is possible to calculate reliability theoretically or by pre-testing the equipment. The dependability of internal consistency was examined using Cronbach's alpha.

To ensure that all the questions asked in the questionnaire fully exhaust everything that is implied by the research questions, objectives, and developed hypotheses, the researcher gave the draught questionnaire to the advisor and senior colleagues in the field for evaluation of the items' appropriateness. As a result, feedback on the questionnaire was requested from the respondents who took part in the pilot test. It is considered excellent if its value is more than 0.7. Hair et al. (2016), p. 255.

The degree to which a concept measures what it is intended to measure is known as validity. p. 258) (Hair et al., 2016). The most important criterion, again according to Kothari (2004, p. 73), is validity, which describes the extent to which an instrument measures what it is intended to measure. Utility is another word for validity. In other words, the validity of a measurement is how well it captures the actual differences between the groups being evaluated.

Table 3.2 Cronbach's alpha values in the study

Variables	Cronebach's Alpha
Professional Management	0.794
Supply Of Subsidized Goods	0.894
Technology	0.759
Theft	0.790
Members' Participation	0.706
Capital	0.736
Community Welfare	0.742

Source: own survey findings

3.5.1.1 Piolet Study

By completing a pilot study with 13 respondents from diverse demographic groups, the questionnaire is evaluated. which is 10% of the target population of sample size 122.

Only values greater than 0.7 are taken into consideration when interpreting the Cronbach's Alpha statistics in this study. For interpreting the alpha scores, Kumar (2011) offers the following criteria: >0.9 - Excellent, >0.8 - Good, >0.7 - Acceptable, >0.6 - Questionable, >0.5 - Poor, and 0.5 - Unacceptable. (Zekaias F. 2023)

3.6. Methods of Data Analysis and presentation

Zikmund et al. (2010) defined data analysis as the use of interpretation to comprehend the data that has been obtained with the goal of identifying reoccurring patterns and condensing the pertinent information discovered throughout the inquiry.

The quantitative data acquired must be processed in order to make them valuable, that is, to transform them into information, in accordance with the quantitative research strategy chosen for the study. This is possible because to quantitative analysis techniques like tables, graphs, and statistics, which enable us to explore, display, describe, and assess correlations and patterns in our data.

Descriptive statistics are used to provide quantitative description in a managerial manner. They allow us to rationally summarise enormous volumes of data and provide a strong summary that may allow for cross-sectional comparisons. To determine the mean, standard deviation, frequency, and percentage, the descriptive analysis is used. Multiple linear regression and correlation are analysed using inferential statistics. Multiple linear regressions are then utilised to test the hypotheses and the conceptual model. To ascertain the link and impact of the two variables, Pearson Correlation and regression analysis are used to analyse and interpret this cross-sectional data temporal responses.

With the aid of the statistical programme IBM SPSS statistics(version 25), research analyses are carried out.

The link between the independent variables (professional management, supply of subsidised commodities, technology, theft, members' involvement, and capital) and the dependent variable (community welfare) is examined using the Pearson's correlation coefficient. The linear relationship between two metric variables is measured by the Pearson correlation. Correlation coefficients are used to describe the numerical representation of the Pearson correlation. Its value falls between -1.00 and +1.00, with 0 signifying a complete lack of correlation between the two metric variables (Hair et al., 2016, p. 374).

3.6.1 Model Specification

Multiple regressions and Pearson correlation are two examples of inferential statistics that are employed. Multiple regressions is employed to determine the nature of relationship between independent variables and the dependent variable. According to Abdi (2015) as cited Hair, Black, Babin, Anderson, and Tathan (2006) A statistical method known as multiple regression analysis is used to examine the connection between several independent variables and a dependent variable. Predicting the dependent variable from known independent factors is the goal. The correlation R, which denotes the strength of the correlation between the combination of the predictor variables and criterion variables, is used to represent the coefficient of multiple correlations (Abdi, 2015)

The error variable (ϵ) is normally distributed, its mean value is zero, its variance is a fixed but unknown value, its values are independent of one another, and the relationship between the factors influencing the role of consumer cooperative on community welfare is linear. These are the necessary assumptions for this multiple regression model.

Using an economic model for regression analysis:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \beta_6 X_6 + \epsilon$$

Where: The dependent variable, Y, represents how well the consumer cooperative's members are doing in the community.

When all Xs are 0, the constant term equals the value of Y. $\beta_1, \beta_2, \beta_3, \beta_4, \beta_5, \beta_6, \beta_7 =$ are the regression co-efficient or change introduced in Y by each X

$\epsilon =$ is the random error term accounting for all other factors not captured in the model.

X1= professional Management

X2= supply of subsidized goods capital

X3= technology

X4= Theft

X5= members participation

X6= capital

The magnitude of regression coefficient was to help the researcher know the direction and magnitude of the relationship between the independent variables and the dependent variable. The coefficient of determination R^2 will be evaluated to determine the explanatory power of the model and how well data fits into the statistical model. The F statistic is evaluated to determine the overall significance of the models

3.6.2 Test of Significance

Test of significance was done and the coefficient of determination (R^2) is used to check the determinants of consumer cooperatives on community welfare by members. The significance of the regression model will be calculated at 95% confidence interval and 5% level of significance

3.7 Description of Research Area

Akaki Kality sub-city woreda 07 is situated at 18 km to south of Addis Ababa. The district is the southernmost suburb of the city and borders with the districts of Nifas Silk-Lafto and Bole. According to the data obtained from woreda 7 community development and safety net bureau the total population of woreda 07 in 2013 is 34,273 among these 16,315 (47.6%) are male and 17,958(52.4%) female. Among these, there are 8,862 families from which 6,291 are led by male 2,571 led by female. Furthermore, 1,808 families are identified and confirmed to be under absolute poverty and out of these 656(36%) are supported by safety net program. Akaki Kality sub-city woreda 07 Consumer Cooperative was established in 2000 E.C. and has 60 employees 9 'ketena' shops (goods), one recreation center and one milling plant. The shops mainly sale basic subsidized goods such as sugar, wheat flour, oil, cereal and the like commodities to customers. According to the data obtained from the consumer cooperative, it has 4,500 members and as of 2013 E.C.

registered capital of 8,278,856 birr. According to the data obtained from woreda 07 trade bureau, there are 18,252 residents (including members) who own coupon and can purchase subsidized goods.

3.8 Ethical considerations

Regardless of whether the research is done person-to-person, ethical considerations are highest when there are human subjects involved. Lewis P. and M. Saunders (2016, p. 220)

Prior to conducting the study, the researcher explained the goal and advantages of the study to the respondents in order to obtain their informed permission. The respondents were also informed of the confidentiality of the information collected from them, and as a result, the information was solely utilised to further the study into the problem. Additionally, they were told that their identities were kept secret during data processing and reporting. By completing this, the

CHAPTER-FOUR

4. Data presentation, analysis and interpretation

4.1 Introduction

In accordance with the research design chosen for this study, which was covered in the preceding chapter, to fulfil the research aim, respond to the research question, and test the research hypothesis. To accomplish the research aim, Results of the analysis and Discussion of the study were reported in this chapter. The statistical programme IBM SPSS 25.0 was used to analyse the data. Discussions were had on descriptive statistics and correlation analysis. The assumptions of the conventional linear regression model are then tested. The outcomes of the model selection and regression were then shown. The conclusion of the regression analysis was then discussed with supporting empirical data.

4.2 Response rate

Higher response rates can increase trust in the representativeness and validity of the data generated by survey research, which is why they are regarded as a crucial quality criteria of survey investigations (Mellahi and Harris, 2016). On the other hand, poor response rates might lead to smaller data samples, lower statistical power, restrict the use of complex statistical techniques, and cast doubt on the validity of the sample. Low response rates, then, might signify or at least indicate possible survey research biases like non-response bias. (Zekarias F. 2023)

The study is conducted among members and consumers of the consumer co-operative, cooperative office manager and office employees of 7 consumer cooperatives shops in Akaki Kality Subcity Woreda-7 whose targeted population was 122 in April 2023, however only 97 participants thereby resulting in a response rate of 79.5%.

The table below provides a summary of the response rate;

Table 4.1 response rate

consumer cooperatives shops	Sample size	Expected response	%	Actual response	%	Percentage from total
Ketena-1	17	17	13.9	14	11.45	14.43
Ketena-2	17	17	13.9	14	11.45	14.43
Ketena-3	17	17	13.9	14	11.45	14.43
Ketena-4	19	19	15.57	16	13.12	16.45
Ketena-5	17	17	13.9	12	9.81	12.37
Ketena-6	17	17	13.9	13	10.63	13.40
Ketena-7	18	18	14.75	14	11.47	14.43
Total	122	122	≈100	97	≈79.5	100

Source: own created for the study

As presented in the above table among the given survey forms of 122 (i.e. 17 surveys sent to each of the five Ketena (Zone) and 18 questionnaires to Ketena -4 and 19 to Ketena (Zone-7), in all 97 questionnaires which is 79.5% of the expected, were analyzed. The other 25 questionnaires (papers), or about 20.5% of the total sent, are regarded as unanswered and excluded from analysis since they were either overlooked, misplaced, or incompletely filled out.

4.3 Demographic profile of respondents

Table 4.2 Demographic profile of respondents

S.no	Item	list	Frequency	Percentage
1	Gender	Female	44	45.4
		Male	53	54.6
		Total	97	100
2	Age	18-25	6	6.2
		26-35	12	12.4
		36-46	42	43.3
		46-55	31	32
		55 and above	6	6.2
		Total	97	100
3	Marital status	Single	18	18.6

		Married	79	81.4
		Total	97	100
4	Education	Secondary school and below	18	18.6
		High school	40	41.2
		Certificate	18	18.6
		Diploma	15	15.5
		First degree	4	4.1
		Second degree and above	2	2.1
		Total	97	100

The respondents profile is organized in terms of gender, age, marital status, level of education, and name of Ketena (Zone) currently getting service from. The result of this demographic presentation is stated below using descriptive statistics analysis using in the form of frequencies and percentages.

The SPSS descriptive analysis result showed that, from the total of 97 respondents, 44 of them (45.4%) were males, while the remaining 53 (54.6%) of the respondents were females. The female respondents were the majority in the survey participation.

Table4.2 shows that 6.2% (n=6) of the respondents were between the age of 18-25 years, 12.4% (n=12) were between the age of 26-35 years, 43.3% (n=42) were in the range of 36-46 years, 32.0% (n=31) were in the range of 46-55 years while those of age 55 and above years were 6.2% (n=6) like that of age range of 18-25 years old.

It can be concluded that respondents of age 36-46 years old are the majority followed by age range of 46-55 while age range of 18-25 and 55 and above accounts for the least.

Table 4.2 shows that the majority of respondents (81.4% or n= 79) were married while (18.6% or n= 18) of the respondents were single.

Table 4.3 Respondents' Ketena of service

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Ketena1	14	14.4	14.4	14.4
	Ketena2	14	14.4	14.4	28.9
	Ketena3	14	14.4	14.4	43.3
	Ketena4	16	16.5	16.5	59.8
	Ketena5	12	12.4	12.4	72.2
	Ketena6	13	13.4	13.4	85.6
	Ketena7	14	14.4	14.4	100.0
	Total	97	100.0	100.0	

Source: Own survey

Table 4.3 shows that respondents in Ketena (Zone) 1, 2, 3 and 7 account (14.4% or n=14) each which means respondents in these Ketena (Zone) totally accounts for (57.6% or n= 56). The remaining Ketena (Zone) 4, 5 and 6 accounts for (16.5% or n=16), (12.4% or n=12) and (13.4% or n=13) respectively.

Table 4.2 shows that, (41.2% or n= 40) of the respondents have educational backgrounds that include high school completion, while Secondary school and below and Certificate of Completion accounts for (18.6 % or n= 18) each. Diploma (15.5% or n=15), First degree (4.1% or n= 4) and (2.1% or n=2) of the respondents are only Second Degree and above holders.

4.4. Descriptive Analysis of the variables

For the descriptive analysis of the variables, the average or mean (x) and standard deviation (S) for the five interval-scaled constructs are determined using the measurement of central tendencies (MCT). With 1 denoting "Strongly Disagree," 2 denoting "Disagree," 3 denoting "Neutral," 4 denoting "Agree," and 5 denoting "Strongly Agree," all items and questions for all variables are asked using a 5-point Likert scale. All the determinant factors on the engagement of consumer cooperatives, that is the independent variables (professional management, supply of subsidized goods, technology, Theft, members' participation' and capital) on the dependant variable (Community welfare) with particular percentage, mean and standard deviation were obtained.

According to most of the rules from Statisticians, the mean score below 3.39 is considered as low, according to comparative grounds of the mean of a five-point Likert scale instrument, the mean score between 3.40 and 3.79 was regarded as moderate, while the mean score beyond 3.8 is regarded as high. The standard deviation, which may be the most useful metric of dispersion, reflects the spread or variability of the sample distribution values from the mean. If the calculated standard deviation is low (1.0), it suggests that the respondents' views on the matter were relatively consistent..

4.4.1 The significance of professional management on consumer cooperative's role of community welfare

Table 4.7 shows that majority (58.8%) of respondents responded agreed to the statement “Absence of managers qualified in cooperative management discipline affected performance of consumer cooperative” with (\bar{x} =4.04 & s=0.691). For the statement “Skill and experience of Committee and board members has effect on consumer cooperative performance”, 41.2% respondents responded neutral while 44.3% agreed with mean =3.67 & S.d =.718. Majority of participants in the survey 59.8% replied “Agree” for the statement “Mismanagement of the consumer cooperative results from society officials' lack of cooperative training in management abilities”. with mean=3.90 & s.d=.653. 36.1% replied neutral and 42.3% responded agreed for the statement “Management training for employees contributes to the consumer cooperative's success”. with mean=3.76 & s.d=.788. The statement “There is committed management team” has got 51.5% of respondents agree while 38.1% are neutral with mean=3.63 & s.d=.666. Finally, the overall mean=3.76 and standard deviation of 0.713714.

Table 4.4. Descriptive analysis for the significance of professional management on consumer cooperatives.

No	Statements	SD	D	N	A	SA	\bar{x}	S
1	Absence of managers qualified in cooperative management discipline affected performance of consumer cooperative	0.0%	2.1%	15.5%	58.8%	23.7%	4.04	.691
2	Skill and experience of Committee and board members has effect on consumer cooperative performance	0.0%	2.1%	41.2%	44.3%	12.4%	3.67	.718
3	Mismanagement of the consumer cooperative results from society officials' lack of cooperative training in management abilities.	0.0%	1.0%	23.7%	59.8%	15.5%	3.90	.653
4	Management training for employees contributes to the consumer cooperative's success.	0.0%	3.1%	36.1%	42.3%	18.6%	3.76	.788
5	The consumer cooperative provides its members with managerial training.	0.0%	7.2%	29.9%	50.5%	12.4%	3.68	.785
6	The management has an understanding of cooperatives development strategy and derived at the woreda level	0.0%	3.1%	39.2%	48.5%	9.3%	3.64	.695
7	There is committed management team	0.0%	3.1%	38.1%	51.5%	7.2%	3.63	.666

Source: own

4.4.2 Effect of supply of subsidized goods on consumer cooperative’s role of community welfare

As seen in table 4.8, majority 42.2% of respondents responded agree while 28.9% strongly agreed and 27.8% neutral for the statement “Scarcity of basic subsidized consumer goods” with mean=3.99 and s.d=0.784. The statement “Quota is not based on family size” is responded agreed by 48.5% of respondents while 27.8% strongly agreed with mean=4.04 and .720. For the statement “Lack of convenient distribution center” 50.5% agreed and 36.1% remained neutral with mean=3.71 & s.d = 0.692. The independent variable subsidized good supply has overall mean of 3.965 and standard deviaton of 0.7375.

Table 4.5 Descriptive analysis for the effect of supply of subsidized goods on consumer cooperatives.

No	Statements	SD	D	N	A	SA	\bar{x}	S
1	Scarcity of basic subsidized consumer goods	0.0%	1.0%	27.8%	42.2%	28.9%	3.99	.784
2	Quota is not based on family size	0.0%	0.0%	23.7%	48.5%	27.8%	4.04	.720
3	Lack of convenient distribution center	0.0%	2.1%	36.1%	50.5%	11.3%	3.71	.692
4	Absence of regular and consistent distribution program	0.0%	4.1%	10.3%	54.6%	30.9%	4.12	.754

Source: own

4.4.3 The effect of technology on consumer cooperative’s role of community welfare

In table 4.9 majority of respondents 43.3% agreed and 28.9% strongly agreed while 22.7% replied neutral for the statement “The function of the consumer cooperatives is supported by technology” with mean=3.95 and s.d=0.882. The statement” Utilising technology will give timely information for consumer cooperative decision-making” has majority (49.5%) of respondents agree and 27.8% strongly agree with mean=3.99 and s.d=0.848. For the claim that "Computerization improves the Work Quality in the Consumer Cooperative", 49.5% agree and 32.0% strongly agreed with mean=4.07 and S.D =0.845. The overall mean and S.D are 3.966667 and 0.887333 respectively.

Table 4.6 Descriptive analysis for the effect of technology on consumer cooperatives.

No	Statements	SD	D	N	A	SA	\bar{x}	S
1	The function of the consumer cooperatives is supported by technology	1.0%	4.1%	22.7%	43.3%	28.9%	3.95	.882
2	Purchasing new technology is financially difficult since it needs a significant investment.	0.0%	6.2%	15.5%	47.4%	30.9%	4.03	.847
3	Lack of knowledge and capacity to use modern technologies.	0.0%	3.1%	18.6%	50.5%	27.8%	4.03	.770
4	information technology will allow us to better communicate with our business partners to get up-to-date information	5.2%	10.3%	18.6%	38.1%	27.1%	3.73	1.132
5	Adoption of technology will provide timely information for decision making in consumer cooperative	1.0%	4.1%	17.5%	49.5%	27.8%	3.99	.848
6	The quality of work at the consumer cooperative is enhanced through computerization.	1.0%	4.1%	13.4%	49.5%	32.0%	4.07	.845

Source: own

4.4.4 The influence of ‘Theft’ (corruption) on consumer cooperative role of community welfare

Table 4.10 indicates that majority of the respondents replied neutral for the statements “Lack of timely and proper audit, Lack of accountability and transparency and Distribution and Storage shops location not safe” , while majority replied agreed for the statements “Lack of appropriate transaction record system, Missing of goods occurs, Imbalance of goods sold and income encounters, Inappropriate control of Subsidized goods distribution to the desired community and

Illegally Selling subsidized goods to private merchants” The overall mean for the independent variable theft is 3.64 and standard deviation is 0.715375.

Table 4.7 Descriptive analysis for the effect of theft on consumer cooperatives

No	Statements	SD	D	N	A	SA	\bar{x}	S
1	Lack of timely and proper audit	0.0%	5.2%	49.5%	38.1%	7.2%	3.47	.708
2	Lack of accountability and transparency	0.0%	15.5%	41.2%	38.1%	5.2%	3.33	.800
3	Lack of appropriate transaction record system	0.0%	3.1%	34.0%	49.5%	13.4%	3.73	.729
4	Missing of goods occurs	0.0%	1.0%	41.2%	47.4%	10.3%	3.67	.673
5	Imbalance of goods sold and income encounters	0.0%	2.1%	34.0%	53.6%	10.3%	3.72	.673
6	Inappropriate control of Subsidized goods distribution to the desired community	0.0%	3.1%	32.0%	49.5%	15.5%	3.77	.743
7	Distribution and Storage shops location not safe	0.0%	3.1%	45.5%	34.0%	13.4%	3.58	.762
8	Illegally Selling subsidized goods to private merchants	0.0%	1.0%	25.8%	60.8%	12.4	3.85	.635

Source: own

4.4.5 The effect of ‘members’ participation’ on consumer cooperative’s role of community

From table 4.8 we can see that 43.3% respondents replied agree while 41.2% responded neutral for the statement “Members participate in general assembly meeting” with mean= 3.65 and s.d=0.737. It is also clearly seen that majority of the responses lie between neutral and agree for most of the statements. The overall mean = 3.708 and standard deviation is 0.7342.

Table 4.8 Descriptive analysis for the effect of member participation on consumer cooperatives.

No	Statements	SD	D	N	A	SA	\bar{x}	S
1	Members participate in general assembly meeting	0.0%	3.1%	41.2%	43.3%	12.4%	3.65	.737
2	Members have awareness about the cooperative audit report, financial status.	0.0%	2.1%	52.6%	36.1%	9.3%	3.53	.694
3	Members know mission and vision of the Cc	0.0%	1.0%	27.8%	51.5%	19.6%	3.90	.714
4	Members have sense of ownership	0.0%	4.1%	26.8%	49.5%	19.6%	3.85	.782
5	Lack of willingness to engage in the cooperative committee has negative impact on consumer cooperative performance	0.0%	6.2%	36.1%	48.5%	9.3%	3.61	.744

Source: own

4.4.6 The effect of capital on consumer cooperative's role of community welfare

In table 4.12 it is shown that majority of the participants in the survey responded agree 46.4% and neutral is 28.5% to the statement "There is no sufficient capital base to fully cover consumer cooperatives demand" with the mean= 3.84 and s.d= 0.838. It is clearly seen that the rest of the statements are replied agree with percentage of 40s and strongly agreed with percentage of 30s. The overall mean=3.99 and s.d of 0.811.

Table 4.9 Descriptive analysis for the effect of capital on consumer cooperatives.

No	Statements	SD	D	N	A	SA	\bar{x}	S
1	There is no sufficient capital base to fully cover consumer cooperatives demand	0.0%	6.2%	28.5%	46.4%	21.6%	3.84	.838
2	Members do not maximize their profit share	0.0%	4.1%	19.6%	53.6%	22.7%	3.95	.769
3	Price fluctuation in the market is a challenge	0.0%	6.2%	16.5%	46.4%	30.9%	4.02	.854
4	finding working cash from financial institutions in a timely manner is tough	0.0%	5.2%	19.6%	44.3%	30.9%	4.01	.848
5	bulk purchase and stock	0.0%	1.0%	22.7%	49.5%	26.8%	4.02	.736
6	The consumer cooperative is severely constrained by the financial institutions' need for collateral..	0.0%	5.2%	11.3%	46.4%	37.1%	4.15	.821

Source: own

4.4.7 Community welfare pertaining to economic benefit and social responsibility

Table 4.13 presents the descriptive analysis of the dependent variable (Community welfare) in terms of economic benefit and social responsibility. According to the responses from participants in the survey the overall mean and standard deviation for Community welfare Pertaining to economic benefit are 3.761 and 0.761. The overall mean and standard deviation for Community welfare Pertaining to social responsibility are 3.823 and 0.773. However, the overall mean and standard deviation for the dependent variable in one is 3.786 and 0.766.

Table 4.10 descriptive analysis for Community welfare pertaining to economic benefit and social responsibility.

No	Statements	SD	D	N	A	SA	\bar{x}	S
Community welfare Pertaining to economic benefit								
1	Payment of dividend to the members	0.0%	2.1%	22.7%	54.6%	20.6%	3.94	.719
2	Timely distribution of basic goods	2.1%	5.2%	22.7%	44.3%	25.8%	3.87	.931
3	Availability of preferred brands	2.1%	9.3%	23.7%	59.8%	15.5%	3.67	.965
4	Reasonable price of goods and services	0.0%	1.0%	25.9%	54.1%	15.3%	3.90	.653
5	Measurement of goods	0.0%	2.1%	52.6%	36.1%	9.3%	3.53	.694
6	Stock level of goods kept in the stores	0.0%	1.0%	23.7%	59.8%	15.5%	3.90	.653
7	Quality of goods and services provided	0.0%	0.0%	23.7%	48.5%	27.8%	4.04	.720
8	Providing job opportunity	0.0%	15.5%	41.2%	38.1	5.2	3.33	.800
9	Consistency of supply of essential goods/commodities	0.0%	2.1%	41.2%	44.3%	12.4%	3.67	.718
Community welfare Pertaining to social responsibility								
10	Participation or exposure to business knowledge	0.0%	6.2%	25.8%	46.4	21.6%	3.84	.838
11	Strengthening relationships and collaboration among residences	1.0%	4.1%	22.7%	43.3%	28.9%	3.95	.882
12	serving as a discussion platform for shared development agendas	0.0%	2.1%	15.5%	58.8%	23.4%	4.04	.691
13	pursuing group action to address the shortage of consumer goods	0.0%	3.1%	41.2%	43.3%	12.4%	3.65	.737
14	Addressing the needs of destitute poor in the area	0.0%	5.2%	49.5%	38.1%	7.2	3.47	.708
15	Courtesy of service providers	0.0%	1.0%	27.8%	42.3%	28.9%	3.99	.784

4.5 Summary of descriptive statistics of the variables

Table 4.11 presents the descriptive analysis summary for the variables with overall mean and standard deviation. According to the rule of thumb According to comparative grounds of the mean of a five-point Likert scale instrument, the mean score below 3.39 is regarded low, the mean score from 3.40 up to 3.79 is considered moderate, and the mean score beyond 3.8 was recognized as high.

Therefore the variables Supply of subsidized goods, Technology and Capital are considered high as their overall mean is above 3.8. The overall mean for the other variables is considered moderate as they are between 3.40 and 3.79. The total standard deviation reveals that respondents tend to agree with the claims, while the mean exhibits little variation (<1.0)

Table 4.11 Descriptive analysis summary for the variables

Variables	Overall Mean	Overall S. deviation
Professional Management	3.76	0.788
Supply Of Subsidized Goods	3.96	0.737
Technology	3.96	0.887
Theft	3.64	0.715
Members' Participation	3.70	0.734
Capital	3.99	0.811
Community Welfare	3.78	0.766

Source: own survey

4.6. Correlation Analysis

Under the correlation analysis unit, the investigator presents the investigation of the analysis of the heterogeneous factors that determine engagement of consumer cooperatives on community welfare. Both the type and the strength of the link are revealed by the correlation's value. The

Pearson Correlation Coefficient is utilised for this. The interpretation is based on the rule of thumb which is correlation coefficient of ($\pm 0.91-1.00$ is very strong, $\pm 0.71- 0.90$ is high, $\pm 0.41- 0.70$ is moderate, $\pm 0.21- 0.40$ is small but definite relationship, $\pm 0.00 - 0.20$ is slight, almost negligible. The SPSS result of the Pearson correlation coefficient is presented in the Table 4.12. The discussion that follows presented analysis of the correlation coefficients.

Table 4.12 the factors' correlational strength

		Correlations						
		Professional management	Member Participation	Technology	Theft	Supply of goods	Welfare Capital of society	
Professional management	Pearson Correl.	1						
	Sig. (2-tailed)							
	N	97						
Members Participation	Pearson Correl.	.400**	1					
	Sig. (2-tailed)	.000						
	N	97	97					
Technology	Pearson Correl.	.507**	.167	1				
	Sig. (2-tailed)	.000	.101					
	N	97	97	97				
Theft	Pearson Correl.	.283**	.521**	.161	1			
	Sig. (2-tailed)	.005	.000	.116				
	N	97	97	97	97			
Supply of goods	Pearson Correl.	.115	-.033	.139	.046	1		
	Sig. (2-tailed)	.262	.748	.176	.657			
	N	97	97	97	97	97		
Capital	Pearson Correl.	.390**	-.160	.536**	-.146	.356**	1	
	Sig. (2-tailed)	.000	.117	.000	.154	.000		
	N	97	97	97	97	97	97	
Welfare of society	Pearson Correl.	.641**	.412**	.613**	.392**	.395**	.471**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	
	N	97	97	97	97	97	97	97

****.** Correlation is significant at 0.01 level (2-tailed).

4.6.1 Relationship between Professional Management and Community Welfare

From Table-4.12, As can be seen, there is a somewhat strong correlation between Professional Management and Community Welfare [$r = .641$, $n = 97$, $p = 0.000$]. This association demonstrates a modest rise, in Professional Management will results moderate increase in engagement in Community Welfare. Similar results have been seen in other earlier studies.

4.6.2 Relationship between Supply Of Subsidized Goods and Community Welfare

From Table-4.12, we can see that there is a significant small but definite relationship positive relationship between Supply of Subsidized Goods and Community Welfare [$r = .395$, $n = 97$, $p = 0.000$]. This association demonstrates a modest rise in Supply of Subsidized Goods will results small increase in engagement in Community Welfare. Similar results have been seen in other earlier studies.

4.6.3 Relationship between Technology and Community Welfare

From Table-4.12, As can be seen, there is a somewhat strong correlation between Technology and Community Welfare [$r = .613$, $n = 97$, $p = 0.000$]. This association demonstrates a modest rise in Technology will results moderate increase in engagement in Community Welfare. Similar results have been seen in other earlier studies.

4.6.4 Relationship between Theft and Community Welfare

From Table-4.15, we can see that there is a significant small but definite relationship positive relationship between Theft and Community Welfare [$r = .392$, $n = 97$, $p = 0.000$]. This positive correlation shows that small increase in Theft will results moderate increase in engagement in Community Welfare. However, this is kind of relationship is unusual and seems unacceptable by the law and the community. It may work for those who like corruption 😊

4.6.5 Relationship between Members' Participation and Community Welfare

From Table-4.15, we can see that there is a significant moderate positive relationship between Members' Participation and Community Welfare [$r = .412$, $n = 97$, $p = 0.000$]. This positive correlation shows that small increase in Members' Participation will results moderate increase in engagement in Community Welfare.

4.6.6 Relationship between Capital and Community Welfare

From Table-4.15, it can be observed that Capital and Community Welfare have a sizable, moderately favourable association. [$r = .471$, $n = 97$, $p = 0.000$]. This can be interpreted as small growth in Capital will result in a moderate increase in engagement in Community Welfare. Many previous research findings have shown the same result.

4.7. Regression Analysis

The amount of the impact of variables on the dependent variable cannot be determined only by correlation analysis. Regression may be used to show how a unit change in the known variables (Professional Management, Supply Of Subsidized Goods, Technology, Theft, Members' Participation and Capital) on the estimated variable (Community Welfare) would affect the results.

To determine whether there is a functional relationship or causal relationship between two or more independent variables and one dependent variable, multiple linear regression analysis is a tool for forecasting the value of the influence of the independent variables on the dependent variable.

Multiple linear regression analysis was employed in the study to create the mathematical model that illustrates how the independent variables (Professional Management, Supply Of Subsidized Goods, Technology, Theft, Members' Participation and Capital) and dependent variable (Community Welfare)

4.7.1. Assumptions test for the classical linear regression model (CLRM)

4.7.1.1. Test for multicollinearity

By examining the variance inflation factor (VIF) value, multicollinearity in the regression model may be easily diagnosed. If the tolerance is 0.1 and $VIF > 10$, there is multicollinearity between the independent variables.

Table 4.13 the VIF, or the Variance Inflation Factor.

Variables	Collinearity Statistics	
	Tolerances	VIF
Professional Management	.572	1.750
Supply Of Subsidized Goods	.853	1.173
Technology	.583	1.715
Theft	.685	1.459
Members' Participation	.603	1.659
Capital	.499	2.002

Inventive SPSS output

Since the values of "linearity statistic" in table 4.13 shows that the VIF value is less than 10 and the tolerance is greater than 0.1. It can be concluded that there is no multicollinearity between the VIF values, the independent variable.

4.7.1.2. Heteroscedasticity Test

The presence or absence of a certain pattern on the scatter plot graph between the standardized residual (SRESID) and the standardized predicted value of the dependent variable (ZPRED) can be used to determine if heteroscedasticity is present or absent.

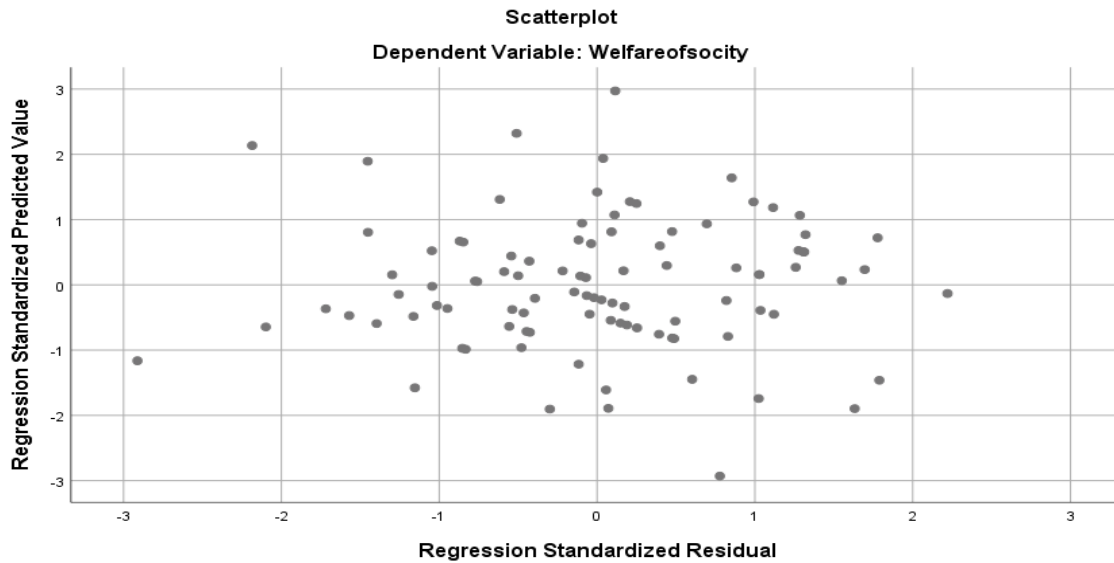


Figure 4.1 Scatter plot of Heteroscedasticity
Source: own SPSS out put

Since there is no clear pattern in figure 4.1 above, and the points spread above and below the number 0 on the Y axis, then there is no heteroscedasticity.

4.7.1.3. Auto-correlation

It is clear that there is no autocorrelation issue given the DW value of 1.561. from the spss output model summary.

4.7.1.4. Normality test

Plotting the error term's histogram allows one to determine the error term's normalcy. As a result, the plot in figure 4.2 is essentially bell-shaped, suggesting that the residual's mean is close to zero

and its variance is close to 1, which suggests that the error component is normally distributed.

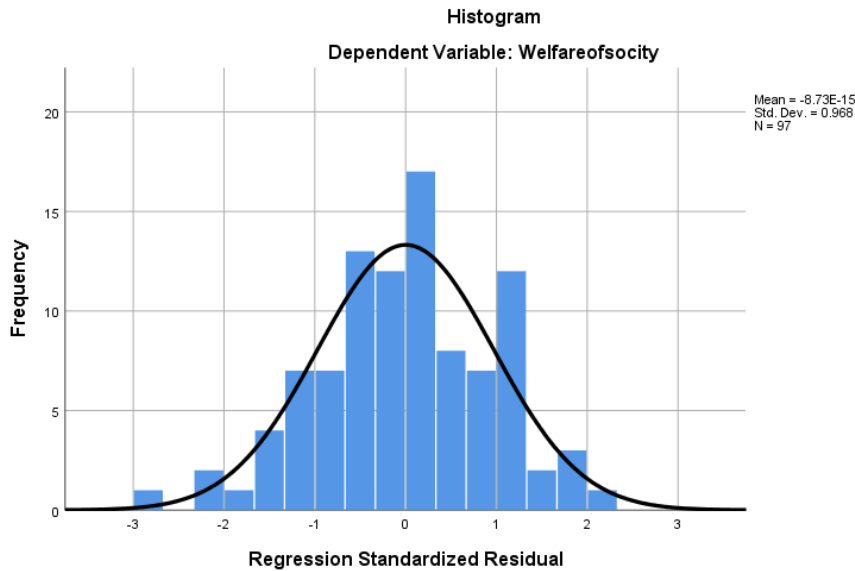


Figure 4.2. Histogram

Source: own spss out put

4.8. Multiple linear regression model summary

The model's executive summary shows the (R-Square) value, which aids in explaining variation in the dependent variable (Community Welfare). Based on the results, the (R-Square) is computed as 0.685 (68.5%). Which implies that the independent variables (Professional Management, Supply Of Subsidized Goods, Technology, Theft , Members' Participation and Capital) predict In this study, there is around 68.5% variance in the dependent variable (community welfare), leaving 31.5% of factors unexplained. In other words, there are additional factors that have not been taken into account in this study yet are crucial in determining company success.

Table 4.14 Model's summary

Model Summary ^b					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.828 ^a	.685	.664	.17159	1.561

a. Predictors: (Constant), Capital, Theft, Supply of subsidized goods, Professional management, Members' Participation, Technology

b. Dependent Variable: community Welfare

Source: Own spss output is the source

4.8.1. Analysis of Variance (ANOVA)

The study's significance level for the regression model was 0.000, indicating that the data were suitable for drawing conclusions about the population parameters since the significance level (p-value) was less than 0.05 or 5%. Additionally, as indicated in table 4.15, the value of the F count obtained is 32.674, and the significant value is less than 5% (p= 0.000 0.05). This indicates that each independent variable simultaneously contributes significantly to the development of the dependent variable.

Table 4.15 Model Summary

		ANOVA ^a				
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	5.772	6	.962	32.674	.000 ^b
	Residual	2.650	90	.029		
	Total	8.422	96			

a. Dependent Variable: Welfareofsocity

b. Predictors: (Constant), Capital, Theft, Supplyofgoods, Profesional, MemberParticipation, Technology

Source: Own spss out put

4.8.2. Multiple Regression Coefficients

Table 4.16 regression coefficients

Model		Unstandardized Coefficients		Standardized Coefficients		Sig.	Collinearity Statistics	
		B	Std. Error	Beta	t		Tolerance	VIF
1	(Constant)	.682	.247		2.761	.007		
	Professional	.182	.054	.264	3.376	.001	.572	1.750
	Supplyofgoods	.141	.035	.258	4.037	.000	.853	1.173
	Technology	.131	.036	.282	3.648	.000	.583	1.715
	Theft	.130	.051	.182	2.543	.013	.685	1.459
	MemberParticipati on	.120	.045	.202	2.654	.009	.603	1.659
	Capital	.105	.048	.184	2.194	.031	.499	2.002

a. Dependent Variable: Welfareofsocity

Source: Own spss out put

As can be seen in table 4.16 above, all independent factors play a substantial influence in the development of the dependent variable because their significance values are less than 0.05.

The model connecting the predictor variables (Professional Management, Supply of Subsidised Goods, Technology, Theft, Members' Participation, and Capital) and the dependent variable (Community Welfare) may be seen in the regression coefficient output table 4.16

$$\text{Welfare of community} = 0.682 + 0.182\text{Professional Management} + 0.141\text{ Supply of Subsidized Goods} + 0.131\text{ Technology} + 0.130\text{ Theft} + 0.1208\text{ Members' Participation} + 0.105\text{ Capital} + \mu$$

OR $Y = \alpha + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \beta_5X_5 + \mu$

Where; $\alpha = 0.682$, $\beta_1 = 0.141$, $\beta_2 = 0.131$, $\beta_3 = 0.130$, $\beta_4 = 0.1208$, $\beta_5 = 0.105$

When all other things remain the same, a unit rise occurs in professional management results in 0.682 in the welfare of the society or community. Holding the other factors constant, a unit increase in supply of subsidized good results in 0.141 welfare of community. Likewise all the other coefficients of the independent variables produce an increase in the coefficients much increase in the dependent variable.

From the independent variables, the professional management has greater ($\beta_1 = 0.182$) effect on the engagement of the consumer cooperatives in the community welfare (welfare of society) at Akaki Kaliti Subcity woreda 07. Capital is found to have less effect on the engagement of the consumer cooperatives in the community welfare at woreda 07 according to this result. But, this seems unusual.

4.9. Hypothesis Test

The most precise approach to articulate a solution to a problem is through a hypothesis. A hypothesis is a plan of attack for an issue. Once the issue has been identified and the results of the literature review have been reached, a hypothesis is developed. It is a researcher's first or speculative explanation or hypothesis of what they believe the findings of an inquiry will be.

The decision to accept or reject a hypothesis depends on the value of p ; specifically, if $p < 0.05$ rejects the null hypothesis while accepting the alternative hypothesis, and if $p > 0.05$ rejects the alternative hypothesis while accepting the null hypothesis at the 95% significance level (0.05), respectively.

HPa1: Professional management skill has significant impact on the engagement of consumer cooperative's community welfare.

With a beta coefficient value of 0.182 and a statistically significant value of $p = .001$, which is less than 0.05, the results of the regressions coefficient beta in table 4.19 above showed that professional management skill has a positive and statistically significant impact on the engagement of consumer cooperative's community welfare.

Therefore, we accept the alternative hypothesis (H_{a1}). Therefore, it is acceptable to say that there is a statistically significant link between professional management competence and community involvement of consumer cooperatives at Akaki Kaliti Subcity Woreda 07.

HPa2: Adequate supply of goods has significant impact on the engagement of consumer cooperative's community welfare.

With a beta coefficient value of 0.141 and a statistically significant value of $p = .000$, which is less than 0.05, the results of the regressions coefficient beta in table 4.19 above showed that an adequate

supply of goods has a positive and statistically significant impact on the engagement of consumer cooperatives' community welfare.

Therefore, we accept the alternative hypothesis (Ha1). Therefore, it is acceptable to say that there is a statistically significant association between an adequate supply of products and community welfare involvement at Akaki Kaliti Subcity Woreda 07.

HPa3: Technology has significant effect on the engagement of consumer cooperative's community welfare.

With a beta coefficient value of 0.131 and a statistically significant value of $p = .000$, which is less than 0.05, the results of the regressions coefficient beta in table 4.19 above showed that technology has a positive and statistically significant influence on the involvement of consumer cooperative's community welfare.

As a result, we approve of the alternate hypothesis (Ha1). Therefore, it is acceptable to say that there is a statistically significant association between technology and community welfare participation in Akaki Kaliti Subcity Woreda 7.

HPa4: Theft has significant effect on the engagement of consumer cooperative's community welfare.

The theft has a positive and statistically significant influence on the community welfare of consumer cooperatives, according to the results of regressions coefficient beta in table 4.19 above, with a beta coefficient value of 0.130 and a statistically significant value of $p = .013$, which is less than 0.05.

As a result, we approve of the alternate hypothesis (Ha1). Therefore, it is acceptable to say that there is a statistically significant association between theft and community welfare participation at Akaki Kaliti Subcity Woreda 07.

HPa5: Members' participation has significant impact on the engagement of consumer cooperative's community welfare.

With a beta coefficient value of 0.120 and a statistically significant value of $p = .009$, which is less than 0.05, the results of the regressions coefficient beta in table 4.19 above showed that members' participation has a positive and statistically significant impact on the engagement of consumer cooperative's community welfare.

As a result, we approve of the alternate hypothesis (Ha1). Therefore, it is acceptable to say that there is a statistically significant association between members' participation and community involvement in the welfare of the consumer cooperative in Akaki Kaliti Subcity Woreda 07.

HPa6: Capital has significant effect on the engagement of consumer cooperative's community welfare.

With a beta coefficient value of 0.105 and a statistically significant value of $p = .031$, which is less than 0.05, the results of the regressions coefficient beta in table 4.19 above showed that Capital has a positive and statistically significant influence on the participation of consumer cooperatives' community welfare.

As a result, we approve of the alternate hypothesis (Ha1). As a result, it is acceptable to say that there is a statistically significant association between capital and community welfare participation at Akaki Kaliti Subcity Woreda 07.

4.9.1. Hypothesis Test Summary

Table 4.17 summary of null hypothesis

No	Alternate hypothesis	Sig.	Decision
1	Professional management skill has significant impact on the engagement of consumer cooperative's community welfare	.001	Accept
2	Adequate supply of goods has significant impact on the engagement of consumer cooperative's community welfare.	.000	Accept
3	Technology has significant impact on the engagement of consumer cooperative's community welfare.	.000	Accept
4	Theft has significant impact on the engagement of consumer cooperative's community welfare.	.013	Accept
5	Members' participation has significant impact on the engagement of consumer cooperative's community welfare.	.009	Accept
6	Capital has significant impact on the engagement of consumer cooperative's community welfare.	.031	Accept

Source: Own spss out put

4.10. Discussion of the research result

This section deals with the major findings and discussion of the results obtained from the descriptive and econometric analysis.

4.10.1. Objective 1: Professional Management influence on community welfare

From the interview, it is found that skilled managers are not attracted to the consumer cooperative due to minimum benefit packages. Even when unfortunately joined, they will have short service period due to their limited power of managing resources because of government interference. This has influenced the consumer cooperative role with limiting the capacity of managers to prepare and implement feasible strategic plan. The finding of this objective is consistent with many previous studies. Furthermore, skill gap assessment and provision of training is not conducted regularly. Dejene, 2017; Debisa, 2023; Biset Amene, Yadessa-2018 reported a positive effect of professional management on consumer cooperatives community welfare. Their finding revealed that interpersonal skills, management understanding the concept of cooperative, good education level and experience of management in cooperative are important for the success of factors of cooperatives.

4.10.2. Objective 2: The effect of Supply Of Subsidized Goods on Community Welfare

The result of the study revealed that the supply of subsidized goods like sugar, edible oil and flour is not conducted at a regular schedule and not sufficient since the quantity is not based on family size. The distribution centers are moderately constructed considering fair convenience to all consumers. This has affected the consumer cooperative performance with respect to timely supply and distribution of highly scarce goods. This is found to be in line with some studies (Begna, 2017). It is reported that consumer cooperatives facing problems of adequate supply of goods couldn't be effective in achieving their goal of community welfare.

4.10.3. Objective 3: The effect of technology and Community Welfare

The study revealed that Technology is not fully used in the consumer cooperatives due to insufficient allocation of budget. The procurement system as well as Interco-operative communication is not supported with up-to-date technology. This has significant impact on getting and providing timely information for and with the concerned stakeholders. This result shows the same fact with previous studies findings regarding the impact of technology infrastructure have positive significant effect on consumer cooperatives community welfare (e.g., Tewodros, 2017)

4.10.4. Objective 4: The effect of theft on Community Welfare

The research's findings demonstrated that there is no transparency about the consumer cooperative audit system and other related financial issues. The property management as well as transaction of

goods could not be considered as highly consolidated with proper and traceable recording and tracking. Most of the distribution centers are not reliably secured. There have been incidents of missing goods in 'ketena 7'. It should be highlighted that the efficacy of consumer cooperatives is considerably harmed by corruption, according to another study of a similar kind (Begna, 2017). This study's interpretation conflicts with that here.

4.10.4. Objective 5: The effect of Members' Participation on Community Welfare

The result of the study revealed that members' attending the general assembly meeting do not have proper understanding of the financial results and do not challenge the management team since they have no concrete evidence. Most members have sense of ownership even if they are not fully engaged in decision making events due to many reasons. Similar result was reported (Aaron et al., 2015) that participation of members in cooperative integration provides organizational capacities for better efficiency there by ensuring community welfare.

4.10.5. Objective-6: to determine the effect of Capital on Community Welfare

The finding of the research survey and interview confirmed that there is deficiency of working capital required for bulk purchase of goods. So that the consumer cooperatives couldn't serve the community by providing the basic subsidized goods as well as other commodities. Difficulty to get loan from financial institutions due to collateral issue is the other big challenge. In relation to this, there is deficiency of cash for timely purchase and sufficient stock of merchandise. The members do not maximize their profit since the trend of return is not promising. The investigation yielded the same conclusion (Debisa, 2023). According to reports, the availability of financing has a significant impact on whether consumer cooperatives are able to accomplish their goal of promoting community welfare.

CHAPTER- 5

5. Summary, Conclusion and Recommendation

5.1 Introduction

The study's goal is to determine what factors influence consumer cooperatives' involvement in promoting community welfare in the case of Akaki Kality Sub-City Woreda 7. After a thorough literature analysis, general and particular objectives were chosen to attain this goal, and hypotheses were created based on the studied literature. Additionally, questionnaires were created and sent to the target group in order to test the hypotheses and provide answers to the study questions. The acquired data underwent descriptive analysis, including measures of central trends (dispersion, percentage, mean), as well as inferential analysis (correlation and regression). The results' ramifications were explored.

This chapter's goal is to summarize the findings from the preceding chapter and draw conclusions from them in order to provide recommendations.

5.2. Summary of major findings

5.2.1. Summary of the descriptive analysis

To summarize the key results and findings, the study had assessed the respondents' attitude and beliefs. The survey responses from the participants in the selected Ketens (Zones) located in woreda 07 at Akaki Kality Sub-city in Addis Ababa generally have mean values ranging from moderate to high value with low variability. This is the overall result of the measure of tendencies for the dependent and independent variable in the study.

There is no major difference with the objective of consumer cooperative; providing goods and services. They are also aimed at addressing socio economic pressures there by stabilizing the market to some extent. This study has found bottlenecks in the case woreda consumer cooperative.

5.2.2. Relationship between Professional Management and Community Welfare

The study's findings indicated that managers are not qualified with cooperative management profession and not supported with sufficient capacity building trainings for management. This

has remarkable influence to devise strategies and to address the community needs. Many previous research finding have shown the same result.

5.2.3. Relationship between Adequate Supply of Subsidized Goods and Community Welfare

The result of the study revealed that there is scarcity of basic subsidized goods. There is difficulty of distributing goods at a regular interval so that the community couldn't be served based on plan. Adequate supply of subsidized goods has positive and statistically significant influence on the engagement of consumer cooperative's community welfare.

5.2.4. Relationship between Technology and Community Welfare

The study revealed that new technology adoption will provide timely information for decision making. From the interview it is understood that there is a gap of knowledge to use modern technologies. These has affected the service quality provided to the cooperative society. Hence, technology has positive and statistically significant influence on the engagement of consumer cooperative's community welfare.

5.2.5. Relationship between Theft and Community Welfare

The finding of this research showed that existence of poor record, lack of transparency, illegal selling of goods to merchants have affected the benefit of the society that is expected from the society. Absence of theft has positive and statistically significant impact on the engagement of consumer cooperative's community.

5.2.6. Relationship between Members' Participation and Community Welfare

Members have sense of ownership but have less willingness to engage in committee tasks. Members, since they are stakeholders, active participation will have contribution to succeed the consumer cooperatives mission of benefiting the society. Hence, there is a significant moderate positive relationship between Members' Participation and Community Welfare.

5.2.7. Relationship between Capital and Community Welfare

The research finding confirmed that there is no sufficient capital base to fully cover the consumer cooperatives expense of bulk purchase. This has affected their performance with respect to satisfying demand of the cooperatives community. The results of the regressions coefficient beta in table 4.16 above showed that Capital has a positive and statistically significant influence on the participation of consumer cooperatives' community welfare.

5.3. Conclusion

Consumer cooperatives are established with the objective to play significant role in stabilizing the price of goods and addressing the socio-economic crisis with pertaining social responsibility. According to the study, woreda 07 consumer cooperative is one which is playing crucial role in supplying subsidized goods. The study was conducted using six independent variables (Professional Management, Supply of Subsidized Goods, Technology, Theft, Members' Participation and Capital) with the objective of finding out their influence as determinants of the consumer cooperative engagement on community welfare (dependent variable) in the case of Akaki kality sub-city woreda 07 consumer cooperative.

In comparing the mean score of the variables in relation to determining the consumer cooperative engagement in community welfare, the study found that the managers are not qualified with cooperative management discipline or do not take training of cooperative management. This has resulted in difficulty to better understand the sector and devise appropriate strategies. The members' know the benefit they gain from the cooperative but their participation in the consumer cooperatives as a committee is not strong. In addition, they are not willing to maximize their share as a result the consumer cooperative encounters deficiency of working capital for bulk purchase of goods. The study also revealed that government controlled subsidized goods distribution quota is not based on family size. This has resulted in dissatisfaction among the society with large family size. Transparency and timely audit is also found to be the determinant factor on building trust of members to maximize their share and diminished other financial institutions interest to work as a partner.

5.4. Managerial implications and Knowledge (theoretical) implications of the Study

5.4.1. Managerial implications

Following the statistical analysis of the data evidences, the managers, board members or other concerned bodies in the consumer cooperatives needs to reinforce their management team with the cooperative management specializations and build the staff with appropriate trainings. The consumer cooperative management needs to give extra attention to adopt more advanced, up-to-date technologies to survive in the competition and satisfy its members and customers by providing better service. They have to use the sense of ownership of members as a good opportunity to develop the consumer cooperative. The management should develop strategies to maximize the capital base and needs to build trust on stakeholders. It needs also to be self-dependent and be free of government intervention that may increase member's participation by changing their attitude. In general, the management should use this finding as an input to further investigate more deterministic factors which are crucial for the success of the consumer cooperatives with regard to community welfare.

5.4.2. Knowledge (theoretical) implications of the Study

Future studies on the Determinants of consumer cooperatives engagement on community welfare can use this for reviewing different issues important for their study. The current study is based on consumer cooperatives at Akaki Kality Sub-city woreda 07; but other researcher can extend it to other business areas. So that researchers can study this to look for other undiscovered determinants, or test these variables in other consumer cooperatives.

5.5. Recommendations

The finding of the study has provided evidence that (Professional Management skill, Supply of Subsidized Goods, Technology, Theft, Members' Participation and Capital) are determinants of consumer cooperatives to achieve their goal. Based on the conclusion of the study, the researcher suggests the following some recommendations:

- The government should minimize its intervention and support them to be independent just like any share company.
- Managerial team and board members should devise growth strategies (long term and short term) to overcome the competition.
- Managerial team and board members should exploit and use the potential of their diverse members taking as an opportunity.

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Appendix-I: Questionnaire

Addis Ababa University

Faculty of Business and Economics

Department of Management

This questionnaire is prepared by MBA in management student of Addis Ababa University, college of business and economics. The objective of this questionnaire is to collect information concerning determinants of the engagement of consumer cooperatives on community welfare; in the case of Akaki Kality sub-city woreda07. You are kindly requested to complete this questionnaire sincerely and honestly. All information you provide will be kept with strict for academic purpose and will not be used for other purpose than the intended purpose. Please do not hesitate to ask me or to call/mail if you have any doubt on questions. Tell: ++251(0)913313110

Part I- General Information

Put an "X" mark on the boxes which indicate your profile group.

1. Gender:

a. Male Female

2. Age Group:

A.18-25 years B.26-35 Years C. 36-46 Years D. 46-55 Years
E. 55 and above

3. Marital status:

A. Single B. Married C. Divorced D. Widow/er

4. Level of Education:

Secondary school and below High school Certificate of Completion

Diploma First degree Second Degree and above

4. In which Ketena are you getting service?

- A. 1 B. 2 C. 3 D. 4
- E. 5 F. 6 G. 7

Part 2: For the following Likert scale questions: -

Tick (✓) or check the appropriate cell by expressing your opinion on the following 5-points scale shown below to the best of your knowledge.

Rating Scale: 1=Strongly Disagree (SD); 2= Disagree (DA); 3=Neutral (N); 4= Agree (A); 5=Strongly Agree (SA).

1. Professional Management &staff		5	4	3	2	1
1.1	absence of managers qualified in cooperative management discipline affected performance of consumer cooperative					
1.2	Skill and experience of Committee and board members has effect on consumer cooperative performance					
1.3	Lack of co-operative training in management skills to society officials leads to mismanagement of the consumer cooperative					
1.4	Staff training in management helps improve the success of the consumer cooperative					
1.5	The consumer cooperative offer management training skills to its members					
1.6	The management has an understanding of cooperatives development strategy and derived at the woreda level					
1.7	There is committed management team					
2. supply of basic subsidized consumer goods		5	4	3	2	1
2.1	Scarcity of basic subsidized consumer goods					
2.2	Quota is not based on family size					

2.3	Lack of convenient distribution center					
2.4	Absence of regular and consistent distribution program					
3. Technology		5	4	3	2	1
3.1	The function of the consumer cooperatives is supported by technology					
3.2	There is lack of finance to acquire new technology because it requires huge investment.					
3.3	There is lack of skills and capability to handle new technology.					
3.4	information technology will allow us to better communicate with our business partners to get up-to-date information					
3.5	Adoption of technology will provide timely information for decision making in consumer cooperative					
3.6	Computerization improves the quality of Work in the consumer cooperative					
4. Theft		5	4	3	2	1
4.1	Lack of timely and proper audit					
4.2	Lack of accountability and transparency					
4.3	Lack of appropriate transaction record system					
4.4	Missing of goods occurs					
4.5	Imbalance of goods sold and income encounters					
4.6	Inappropriate control of Subsidized goods distribution to the desired community					
4.7	Distribution and Storage shops location not safe					
4.8	Illegally Selling subsidized goods to private merchants					
5. Members participation		5	4	3	2	1
5.1	Members participate in general assembly meeting					
5.2	Members have awareness about the cooperative audit report, financial status.					
5.3	Members know mission and vision of the Cc					
5.4	Members have sense of ownership					
5.6	Lack of willingness to engage in the cooperative committee has negative impact on consumer cooperative performance					
6. Capital		5	4	3	2	1

6.1	There is no sufficient capital base to fully cover consumer cooperatives demand					
6.2	Members do not maximize their profit share					
6.3	Price fluctuation in the market is a challenge					
6.4	difficulty in timely obtaining working capital from financial institutions					
6.5	bulk purchase and stock					
6.6	The collateral requirement from lending institutions is a serious constraint for the consumer cooperative.					
7. Benefits that consumer cooperatives provide to the community		Responses				
	Community welfare Pertaining to economic benefit	5	4	3	2	1
7.1	Payment of dividend to the members					
7.2	Timely distribution of basic goods					
7.3	Availability of preferred brands					
7.4	Reasonable price of goods and services					
7.5	Measurement of goods					
7.6	Stock level of goods maintained in the stores					
7.7	Quality of goods and services provided					
7.8	Providing job opportunity					
7.9	Consistency of supply of essential goods/commodities					
	Community welfare Pertaining to social responsibility					
7.9	Participation or exposure to business knowledge					
7.10	Strengthening relationships and collaboration among residences					
7.11	Serving as forum for discussing common development agendas					
7.12	Seeking collective action to address scarcity of consumer items					
7.13	Addressing the needs of destitute poor in the area					
7.14	Courtesy of service providers					

9. What should be done in the future?

9.1. What are your recommendations for the achievement of Consumer’s Cooperatives objective in the future? -----

9.2. What measures should be taken to improve the Consumer's Cooperatives in order to give better services to the community in the future? -----

Thank You for Your Kind Cooperation!!

Appendix-II: Interview

Addis Ababa University

Faculty of Business and Economics

Department of Management

1. Interview questions for consumer coop staffs. Managers and board members
2. Could you briefly tell me about your coop organization?
3. What is your position within the consumer cooperative?
4. What duties do you carry out?
5. Do you believe the consumer cooperative is contributing its share in improving the livelihood of the community?
6. How many employees are currently working in the consumer cooperative and how is their performance?
7. How is the consumer cooperatives controlled?
8. Does the consumer cooperatives have strategic plan?
9. What are the major factors that constrain the efficiency and goal achievement of the consumer cooperative?
10. What remedial actions do the consumer cooperatives took to solve the challenges?