

**FACTORS INFLUENCING LEADERSHIP POSITIONS IN THE MANAGEMENT OF  
COOPERATIVE SOCIETIES IN TERTIARY INSTITUTIONS IN KADUNA STATE, NIGERIA**

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**Abstract**

*Selfish interest or gains usually characterize leadership positions in most organizations, especially cooperatives. This paper examined the factors influencing leadership positions in the management of cooperative societies in tertiary institutions in Kaduna State, Nigeria. Stewardship theory guided this research and survey research design adopted. The sample size is 312, which was generated from a population of 1,412 registered cooperative members using Taro Yamane (1967) formula. The major instrument of data collection was structured questionnaire. Data were analyzed using table of descriptive statistics, frequencies and percentages, while hypothesis was tested using regression analysis through the aid of SPSS. The findings revealed that level of education, participation in social activities and remuneration/benefits of the office (portfolio) were found to influence leadership positions in the cooperatives. Thus, the factors influencing leadership positions have significant effect on management of cooperatives in tertiary institutions in Kaduna State. This paper recommended amongst other that aspiring leaders should be discouraged from vying for positions based on what to derive, but the desire to serve and enhance organizational growth.*

**Keywords:** cooperative societies, leadership, management, social activities

**Introduction**

As much as 90% of cooperative societies do not have standard management, financial, administrative procurement or human resources policies or procedures. Barely any of them have a system for regular planning, monitoring and evaluation, except for basic manual book-keeping (ILO, 2014). They argued that the majority of cooperatives do not adhere to the basic provisions stated in the Jordanian Cooperative Law on financial planning, management and control. Like every organization, co-operatives are expected to embrace continuous management and performance improvement. This is a primary task saddled for the management committee of such organizations for the best interest of all. Management committee is the governing body of a cooperative society that is elected by the members, usually at the Annual General Meeting (AGM). It has been argued that the operational effectiveness of cooperative organizations can be enhanced to stimulate job creation (Agba, Attah & Ebong, 2015).

It has been observed that successful performance or failure of any cooperative society lies hugely on the leadership of the management. Where there are well skilled and knowledgeable leaders, there exists good leadership. The reverse is most likely to be the case where the leaders lack any of these and not devoting to training, social participation for better skills or more concerned on what the office would benefit them (Karunakaran & Huka, 2018). He stressed that the drive for many persons in assuming leadership positions

is the inherent benefits in such positions. These might be as a result of monetary or social benefits, connections and all that. However, due to lack of spelt out qualifications for who take up what responsibility, many cooperatives tends to suffer effects of bad leadership, occasioned by unqualified persons. In other words, the educated or leadership qualified persons might be sidelined and the less prepared assume such positions by all means.

The resultant effects of such are usually poor performance, mismanagement of funds, embezzlement, autocratic leadership and unaccountability of office. Again, when there is altercation, either among members or against leadership, there appears to be ineffective sanction or control mechanisms for bringing normalcy. It is in view of the aforementioned issues that this paper evaluates the factors influencing leadership positions in the management of cooperative societies in tertiary institutions in Kaduna State, Nigeria. The paper presented a hypothesis that;

**H<sub>0</sub>** : Factors influencing leadership positions do not have significant effect on management of cooperatives in tertiary institutions in Kaduna State.

### **Conceptual Review**

#### **The Concept of Cooperative Societies**

Cooperative societies are predicated on mutual understanding, respect and dependence in solving one another's socio-economic needs. It is derived from the French words "Espirito de corps" which means "working together". Asaolu (2004) argued that cooperative was derived from a Latin dictum "operate" meaning to work and the prefix "co" meaning together. In this case, two major approaches have been used to describe cooperative societies. These are economic and social aspect, and social/cultural background of the movement. However, the major emphasis in cooperative is on self-help. Thus, people cooperate because they realize that it is extremely difficult to achieve some goals by working alone. Reeves (2003) opined that the best way of pushing back the limit of economic problem of scarcity is by working together. This is because more can be achieved when people coordinate their efforts with each other and take concerns and talents of others into consideration.

Cooperative is a concept which has been in existence since the beginning of man. People learned that by working together, they can accomplish more than the totality of each individuals' effort. Early human society recognized the advantages of collective hunting, fishing, gathering food, living, worshipping, cooking and providing shelter together in groups and meeting individual and group needs collectively (Ibrahim, 2001). This could in the widest sense reveal that cooperation means more than working together. It is as old as man. The cradle of cooperation in the crude sense is the family which extends to the larger community. That could be mere mutual assistance which is mainly characterized by give and take concept. In this method, the people involved are "mutual" among who are stark illiterates, and the association is unstructured, short-time existence and absence of legality, mainly engaging in productive venture without effective management.

Modern scientific cooperatives originated on the benchmark of the industrial revolution in Europe spanning a century (1750-1850). As such, they are formal, legal entities and undertakings as a body cooperate and adhering to the internationally acceptable principles. The modern scientific cooperative business enterprise could be established in all economic systems, be it socialist or communist, capitalist/free market, as well as mixed economic system. It could be formed by business persons, workers, rich, poor and averagely poor. The flexible peculiarities of cooperative have provided room to accommodate diverse views from persons and group of persons on the singular definition of this popular term. In his contribution, Chukwu (1990) opines that cooperation is an economic system with a social content. Its idealism entails both economic which covers business transactions expressed mainly in monetary terms, and the social which deals with the direct link on the relationship among the people that make up the society, particularly as it affects the membership and the personal relations.

In its absolute sense, cooperative has flexible peculiarities in which it could be organized in many instances. The cooperative business enterprise is not all comers' affairs unlike other conventional business units. This is due to its emphasis on human being much more than capital; hence cooperative is not profit-oriented but

people-oriented venture (Gambo, 2016). As such, a certain due process is observed to qualify for membership namely; willingness, law-abiding character, commonly felt needs, and productivity.

Cooperative is an assemblage of persons in which case it could be deliberate or coincidental, short-term or permanent group, organized or unstructured, formalized or informal, the obvious parameter being that two or more people are working hand in hand. According to Chukwu (1990), the group is referred to as sociological group. In this sense, before the coming together of two or more persons can give rise to "group," several characteristics regarding the group must exist as follows:

- i. **Common Goals:** This is vital as it could be very pivotal in binding all individual members together on the heartfelt objectives that their social and economic welfare can only be improved by team work rather than individual participation. Thus, the cooperative business enterprise is formed intentionally to achieve not only social interest, but also economic goals.
- ii. **Long-term Operations:** Cooperative being business unit should adhere to the concept of unending activity. This means that it has to carry on business even when the founders are satisfied with their commonly felt needs. This is imperative since cooperative engages in capital-intensive and long-term projects that could span a long time before maturity is attained.
- iii. **Existence of Effective Communication:** This facilitates the working together of members as group. It could be highly effective when the members are educated and equally share mutual understanding among them.
- iv. **Sharing Roles:** This is related to the expected participation either by individual as members or a group as a segment of the entire group. In essence, the individual can play such roles as having executive positions as officers, the president, treasurer, financial secretary, and general secretary. Among the group, three segments of individual members could be collectively formed as a committee in handling special activities with their specialized skills. The entire roles are complementary to each other to achieve the common goals.

According to Lawal (2006), cooperative enterprise is a kind of business for mutual benefit of members. Cooperative enterprise satisfies the needs and interest of their members, rather than maximizing profit which may be the target of other form of business organization. The cooperative business is to afford members particularly the poor, to come together to promote their socio-economic well-being a feat which a single individual working alone cannot achieve if it is possible at all for him to do so.

In a related development, Epetimehim (2006), viewed cooperative enterprise as a business owned and controlled by the people who use its services: They finance and operate the business or services for their mutual benefit. By working together, they can reach an objective that would "be unattainable if acting alone. Similarly, Akinwumi (2006) explains that cooperatives depend on the unified efforts of large number of small individuals. Furthermore, Onuoha (1986) states that cooperatives are business of patrons whose motive are to obtain the goods and services they require at lower cost through their joint undertaking.

Until 1995, a giant step was taken by the International Cooperative Alliance (I.C.A) to issue a new list of principles of cooperation for the beginning of the 21<sup>st</sup> century at Manchester congress. The ICA which is the world apex body of cooperative movement at its centenary congress and General Assembly in Manchester (1995) gave the whole picture of a cooperative organization as "an autonomous association of persons united voluntarily to meet their common economic, social and cultural needs and aspirations through a jointly-owned and democratically-controlled enterprise". A co-operative society pools together human resources in the spirit of self and mutual help with the object of providing services and support to members. The Co-operative principles under which a co-operative society operates and carries out its business, according to ICA (1995) are: Voluntary and Open Membership; Democratic Member Control; Autonomy and Independence; Member Economic Participation; Education, Training and Information; Co-operation among Co-operatives and Concern for the Community.

### **Factors Influencing Leadership Positions in Cooperatives**

Cooperative leadership plays a key social function in the organization of economic relations that govern member owned firms and effective management sustainability. In Tanzania, the effectiveness of cooperatives management leadership enhanced much accountability to the union in Bukoba district as compared to Moshi district (Rwekaza, Kimaryo & Kayunze, 2018).

Research has shown that many factors influences leadership positions in cooperatives, and notable of which is education. According to Karunakaran and Huka (2018), education is an essential requisite that contributes towards improving leadership skills. This is consistent with the observation of ICA (1963) that observed a direct link between level of leaders' education and successes of cooperative organizations.

Participation in social activities is another factor which has been identified to associate with leadership position. By engaging in social activities, leaders can exercise their skills in leading the cooperatives (Bass, 2008). Evidence from FGDs in Karunakaran and Huka (2018) indicates that as part of the community, leaders participate in different social institutions (like Equb, Edir, Debo traditional forms of cooperatives), and political parties. This helps in improving leadership skills level through learning and sharing of experiences. To this view, leadership expertise can be improved upon through engagement in socialization and sharing of experiences. In other words, no one is immune to leadership lapses, but can be minimized through active participation in social activities.

Leadership duration and training are said to enhance leadership. Experience in leadership can increase leadership capacity and where this is lacking can mare the chances of assuming desired higher positions. Goleman (2011) posits that experienced leaders are more enthusiastic in making decisions pertaining to day to day affairs of cooperatives and he argued that duration of leadership has a significantly positive influence on leadership orientation. On training, he submitted that participation in training influences leadership skills positively. In other words, training does not only influence declarative or procedural knowledge, but also enhances strategic knowledge for leadership.

More still, Karunakaran and Huka (2018) identified motivation as another factor that can determine successful or failed leadership of a cooperative organization. To them, the motivation to lead a cooperative is positively and significantly associated with leadership skills possessed. The motivation and skills are functions of performance, in essence, leadership skills alone will not lead to good performance unless there is motivation to work which together leads to successful achievements and outcomes. Furthermore, cooperative leaders must ensure to recognize their leadership role as "servant leaders" whose source of power comes from their superior professional qualification and skills (Davis, 2006). In countries where cooperative movement is weak and ineffective, the absence of dynamic leadership qualification is one of the major reasons (ICA, 1963). In other words, there is strong direct relationship between cooperative leadership qualification level and cooperative performance (Davis, 2006). This suggests that leadership development and training are essential to good performance. Therefore, every aspiring leader or someone who is already in a leadership position should deem continuous development and training necessary for productive tenure. Franklin (2006) categorized all the factors influencing leadership into four types. These relate to the leader, the follower, the organization and the external environment. The leader related factors are the factors that originate from a leader's personal characteristics. These include education, behaviour and leadership style. According to him, these factors can determine the cooperative leadership skills and efficiency. On the other hand, follower related factors are those of the followers or members in cooperatives and their relationship with leaders which determine the effectiveness of leadership in the organizations. Organizational factors that affect effectiveness of an organization are significant to organizational characteristics. The familiarity with the nature of task to be performed, linkage among committee members and incentive policy of the society are the major ones (Franklin, 2006). The external environment factors are those of the operational area. For instance, a hostile and violent environment influences or affects a meaningful leadership. In other words, when a leadership that is determined to work is operating under an uncondusive atmosphere, her efforts would be marred with sabotage and possible destruction.

## **Management**

Management is an act of coordinating and controlling a particular thing to prevent wasteful and unauthorized interferences. It is pertinent to note that the management of cooperative is composed of three separate and distinct groups: members, directors and managerial staff. It requires the active participation of all three categories to make the cooperative well coordinated. Members formulate policies by adopting the articles of incorporations and bylaws through actions taken at annual and other meetings (Tilahun, 2007). However, they delegate to the board of directors the responsibility of translating these policies into action. It is this that the directors work to safeguard the interest of members. The directors hire and supervise the manager and others qualified personnel to carry out the activities of the cooperative. They interpret the policies of the members and take the necessary steps to put them into effect. The directors prescribe how the association has to operate to carry out most effectively the expected wish of the members. When these procedures are kept, the members' satisfaction will be maximized, otherwise leading them to dissatisfy.

## **Theoretical Framework: Stewardship Theory**

The stewardship theory emphasizes on the role of management being as stewards, and integrating their goals as part of the organization for effective performance. Davis, Schoorman and Donaldson (1997) posit that a steward protects and maximizes shareholders wealth through firm performance, because by so doing, the steward's utility functions are maximized. In this perspective, stewards are managers working to protect and make profits for the shareholders like in a cooperative. This perspective suggests that stewards are satisfied and motivated when organizational success is attained. The theory recognizes the importance of governance structures that empower the steward and offers maximum autonomy built on trust (Donaldson & Davis, 1991). It stresses on the position of management committee to act more autonomously so that the shareholders' or members returns are maximized.

Furthermore, stewardship theorists assume that in given a choice between self-serving behavior and pro-organizational behavior, a steward will place higher value on cooperation than defection. Stewards are therefore assumed to be collectivists, pro-organizational and trustworthy to manage organizational resources (Wikipedia, 2018). According to Daily, Dalton and Canella (2003), in order to protect their reputations as decision makers in organizations, managers are inclined to operate the firm to maximize financial performance as well as shareholders' profits. In this sense, it is believed that the firm's performance can directly impact perceptions of their individual performance.

In application to this paper, the management committee is the stewards that oversee the affairs and resources of cooperative societies for the overall good of all members. Where this purpose is defeated or left to pursue personal interests, the cooperative is bound to suffer setbacks in its focal role and performance. This could be perceived when there is erroneous interest poised at selfish gains to be derived from positions of leadership, the affairs of cooperative suffers.

## **Methods**

Survey research design was used and the study location is in Kaduna State, North-West Nigeria. The state was created on 27<sup>th</sup> May 1967 and the state's capital is Kaduna. Kaduna State is consisting of twenty-three local government areas and three senatorial zones. Kaduna state is a known citadel of learning in Nigeria, with notable tertiary institutions. Each of these tertiary institutions has different cooperative societies. The sample size is 312, which was generated from a population 1,412 registered cooperative members using Taro Yamane (1967) formula. The Bowley's proportional allocation formula was used in selecting the respondents. The major instrument of data collection was structured questionnaire. Data were analyzed using table of descriptive statistics, frequencies and percentages, while hypothesis was tested using regression analysis through the aid of SPSS.

## **Results**

### **Socio-Demographic Data of the Respondents**

The socio-demographic data of the respondents such as age, gender, educational qualification, marital status, religion and leadership experience are presented and analysed on table 1;

Table 1: Distribution of Socio-Demographic Data of Respondents

<b>Variables</b>	<b>Frequency (298)</b>	<b>Percentage (%=100)</b>	<b>Mean (x)</b>
<b>Age (Yrs.)</b>			
19-29	13	4.3	
30-40	46	15.4	
41-51	151	50.6	46.2
52yrs & Above	88	29.5	
<b>Gender</b>			
Male	193	64.7	
Female	105	35.2	
<b>Educational Qualification</b>			
FSLC	16	5.3	
WAEC/GCE	41	13.7	
OND/NCE	72	24.1	
HND/B.Sc.	156	52.3	
M.Sc./Ph.D.	13	4.3	
Others	-	-	
<b>Marital Status</b>			
Not Married	81	27.1	
Ever Married	217	72.8	
<b>Religion</b>			
Islam	226	75.8	
Christianity	63	21.1	
Other	9	3.0	
<b>Leadership Experience (Yrs.)</b>			
Less than 5yrs	92	30.8	
6 – 10	167	56.0	7.3
11 – 15	31	10.4	
16yrs & Above	8	2.6	

Source: Field survey, 2020

### Factors that Influence Leadership Positions in the Cooperatives

Table 2: Factors influencing leadership positions in Cooperative Societies

S/N	Factors influencing leadership	x	STDV	Remarks
1	Leadership duration	1.63	0.593	Rejected
2	Level of education	3.01	1.462	Accepted
3	Participation in social activities	4.56	1.750	Accepted
4	Remuneration/benefits of the office (portfolio)	3.25	2.326	Accepted
5	Motivation to work	3.42	1.941	Accepted
6	Conduciveness of the working environment	2.09	0.164	Rejected
7	Professional qualifications/skills	1.87	0.216	Rejected
8	Familiarity with nature of task to be performed	3.63	2.673	Accepted
9	Relationship with members/followers	4.21	1.845	Accepted
10	Leadership experience/training	2.10	0.567	Rejected

Source: Field survey, 2020

Test of Hypothesis: Factors influencing leadership positions do not have significant effect on management of cooperatives in tertiary institutions in Kaduna State.

Table 3: Regression Result of Hypothesis Three

	Coeff.	t-value	Sig.
Constant (Influencing factors)	314.225	12.704	0.001
X <sub>1</sub> Leadership duration	-1.343	-0.211	0.712
X <sub>2</sub> Level of education	41.162	2.639**	0.013
X <sub>3</sub> Participation in social activities	3.917	1.082*	0.004
X <sub>4</sub> Remuneration/benefits of the office (portfolio)	26.041	2.196**	0.000
X <sub>5</sub> Motivation to work	-3.526	-2.523	0.518
X <sub>6</sub> Conduciveness of the working environment	-0.214	-0.049	0.302
X <sub>7</sub> Professional qualifications/skills	-2.883	-0.037	0.410
X <sub>8</sub> Familiarity with nature of task to be performed	51.502	3.328**	0.005
X <sub>9</sub> Relationship with members/followers	24.117	12.093*	0.021
X <sub>10</sub> Leadership experience/training	-1.645	-2.834	0.106
R <sup>2</sup>		0.716	
Adj. R <sup>2</sup>		0.804	
F		23.143	
N		298	

Source: Field survey, 2020

\*Significant at 5% level

Predictors: (Constant), influencing factors

Dependent variable: leadership

Table 4: Model Summary of Hypotheses Three

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Cal.	df1	df2	Sig.
1	.694 <sup>a</sup>	.716	.804	121.43565	.716	23.143	4	293	.001

- a. Predictors: (Constant), influencing factors
- b. Dependent Variable: magt. of coop.

## Discussion

Table 1 reveal that average age of the respondents is 46-years. This suggests that the respondents are adult and matured. The males are found to be the dominant gender of the respondents, implying that males are more than the females in the cooperative societies. The highest educational qualification of majority of the respondents is HND/B.Sc. This suggests that a reasonable number of the respondents are educated and can read and write. Furthermore, the highest percentage of the respondents was ever married, implying that they are either presently married or once married. The study further found that the greatest number of the respondents is Muslims. This is not surprising since the study was carried out in Kaduna state, which is predominately Muslim state. The findings also revealed that average leadership experience was found to be 7-years. This indicates that the management committee members are still new in managerial affairs, considering the fact that they never acquired up to 10-years experience.

Most importantly, the major findings revealed that level of education, participation in social activities and remuneration/benefits of the office (portfolio) influences leadership positions in the cooperatives. This may not be surprising as education is necessary for any formal organizational leadership. This is in recognition of the essence of education which can enable a leader to communicate effectively and efficiently. The influence of participation in social activities, like political activities could explain the reason why virtually everyone in the state is political conscious. Perhaps, exposure to political activities enables members to acquire leadership training and thereby considered to head cooperatives. In addition, the finding that remuneration/benefits of the office (portfolio) influences leadership positions in the cooperatives attest to the fact that humans would always consider what they stand gain in every social interaction before involving. In other words, once the perceived benefit does not worth the time and resource commitment of the leader, such a person may opt out. This suggest that many in leadership positions of these cooperatives are not there for selfless service or to make sacrifice, but after what they stand to benefit. Additionally, familiarity with nature of task to be performed and relationship with members/followers are another set of factors found to be influencing leadership in the cooperatives. What this entail is that having a good relationship with members of the cooperatives suggest possible chances of assuming any desired position. This may not be requisite as essence of cordial relationship cannot be relegated to the background, but dwelling on as a priority may be said to be unhealthy. This may justify why leadership of many cooperatives are characterized with inefficiency and poor output. The  $R^2$  (.716) output of the hypothesis indicates that 72% of variations on leadership of the cooperatives are influenced by level of education, participation in social activities, remuneration/benefits of office (portfolio), familiarity with nature of task to be performed and relationship with members/followers. Based on this, the study rejects the null hypothesis and submits that factors influencing leadership positions have significant effect on management of cooperatives in tertiary institutions in Kaduna State.



### **Conclusion and Recommendations**

This paper concludes that level of education, participation in social activities and remuneration/benefits of offices (portfolio) vying for influences leadership positions in the cooperatives. This paper recommends that;

1. The cooperative leadership should prioritize accountability of office and ensure that qualified persons are engaged in service delivery.
2. Educational qualification and leadership experience should be upheld as requirements for vital positions. This can enable any organization to harness the best of its human resource.
3. Aspiring leaders should be discouraged from vying for positions based on what to derive, but the desire to serve and enhance organizational growth.

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