

**FACTORS INFLUENCING PERFORMANCE OF COFFEE
COOPERATIVES IN KANGEMA CONSTITUENCY, MURANG'A
COUNTY, KENYA**

**BY
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the Award of Degree of Master of Arts in Project Planning and Management of the
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DECLARATION

This research project is my original work and has not been presented for any award of degree in any other university.

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DEDICATION

I dedicate this work to my husband Charles Ng'ang'a, my daughters Sharon Mwihaki and Samantha Wangechi. I also wish to dedicate it to my loving parents Mr. and Mrs. Anselimo Njugi. They have been my inspiration all through. May they grow to reach greater heights in all spheres of life.

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ABBREVIATIONS AND ACRONYMS

USA	:	United States of America
MDGs	:	Millennium Development Goals
CB	:	Coffee Board
CBK	:	Coffee Board of Kenya
CMB	:	Coffee Marketing Board
GOK	:	Government of Kenya
MFCU	:	Murang'a Farmers Cooperative Union

ABSTRACT

Coffee is one of the most valuable traded commodities in the world. In Africa, it is referred as black gold due to its value. Farmers have come up with cooperative societies that assist them to manage and market their coffee locally and internationally. In Murang'a County of Kenya, the cooperatives are having a hard time in terms of sustainability, which has made the current Governor request for audit to know what is ailing the coffee industry in the County. The purpose of this study therefore was to establish the factors that influence performance of the coffee cooperatives: A case of Kangema Constituency in Murang'a County, Kenya. The study took place in the three Coffee Cooperative societies in Kangema Constituency of Muranga County, Kenya. The study target population was 12,420 individuals who were both farmers and the cooperative societies' staff. From the target population, the researcher was able to get a sample population of 375 individuals from which 327 individuals were farmers and 48 individuals were the cooperatives staff. Simple random sampling was administered to the sample population and questionnaires were issued and later returned. The questionnaire return rate was 94%. The collected data was analysed, interpreted and presented by tabulating the data. It was found that the four objectives of the study really influenced performance of coffee cooperatives in the area. It was established that the more the income of farmers the better they were able to take care of their coffee farms. It was noted that those who had other source(s) of income were able to take care of their coffee farms better. Iyego which had a high percentage of businessman 79(39.7%) and those who are employed 12(6%) and were able to produce the highest in 500kgs. – 799.9kgs yield category, which 15(7.5%) individuals. It was also established that land fragmentation led to farmers having small farms which they felt that they could not plant coffee trees which yield is seasonal yet they required to grow food for daily use. This was proved by the fact that majority of farmers 193(97.1%), 72(92.8%) and 27(97.1%) for Iyego, Kiriti and Kanyenya-ini cooperatives respectively who said that they require more land for farming. However, 156(78.6%), 67(85.5%) and 27(96.4%) from Iyego, Kiriti and Kanyenyaini cooperatives respectively felt that they would not use the extra land for coffee farming but other types of farming. This was probably because of the international coffee crises in place that has decreased the income to coffee farmers. It was also noted with a 100% feedback that those farmers that had attended some training with regard to coffee farming had improved in their farming methods hence high production. Those who attended these training were Iyego, 20 (10%), Kiriti, 5(6.4%) and Kanyenyaini, 2(7.1%). It was also noted that cooperatives staff are required to be competence in their work to ensure that work flows well to satisfy their clients (farmers) requirements. This is because 32(16.1%) from Iyego, 24(28.2%) from Kiriti and 15(53.6%) of farmers felt that cooperatives services are not satisfactory at all. Majority of staff suggested that their salaries be increased and also more members should be employed to avoid overworking the available staff. It was also suggested that further training of the available staff would also improve their working methods hence satisfying the farmers. It was therefore concluded that the government should work on the coffee related incomes to motivate the farmers. Also, proper land policies should be put in place to ensure that land users are able utilize the available lands hence ensuring that no idle land in place. Training of farmers is important as it adds knowledge and skills that would not have been known by these farmers. Finally, employing competent workers in term of qualifications, training and skills is important as they will be able to handle any kind of drawback. The study recommended further research on coffee cooperatives in other counties so that conclusions should be compared and generalized. The study has also recommended further research on other farming related cooperatives to compare the findings. Further research should also be done in different counties to help generalize the findings.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Researchers have identified Coffee as one of the most valuable traded commodities in the world (Burrirt, 2011). Until 1990, it was the second most valuable commodity after oil. Coffee is a typical example of a global commodity mainly produced in developing countries in tropical area. He adds. However, it deals with highly efficient consumer markets and large corporate wholesales, roasters and traders who buy if from agricultural smallholders and middlemen. The widely spread perception of the global value chain of coffee is one where profits are made in industrialized countries at the expense of environmental and social problems in the developing world (Burrirt, 2011).

In Brazil, the state of Sao Paulo is the home of the world largest coffee export sector. The coffee export elites concentrated in the processes of capitalist accumulation in their hands which resulted to the export sector expansion making coffee capital very fundamental and dominant in this region (Font 2010).

Vietnam is the second largest coffee exporter after Brazil. They both contributed to growth of coffee farming for the last two decades. This rise has contributed to the shrinking prices and ever-increasing competition in the world market (Burrirt, 2011). In Vietnam, coffee was introduced by the French missionaries in 19th century because of its favourable climate. In 1990s, Vietnam coffee production soared, almost tripling between 1999 and 2000. With the aid of USA and other countries, Vietnnam cleared many hectares of land, brought in new farming families into the land and began to flood the worked coffee market with low quality, low priced beans. This resulted to low world coffee prices (Jolliffe, 2010).

In Costa Rica, coffee farming was mainly considered the most profit making business. The Costa Rican elites felt that the profits are not largely produced in coffee production but rather in the processing and export (Mitchell & Pentzer, 2008). Most coffee barons owned significant tracts of coffee land but unlike in some other countries, production was not confined to their large estates in Costa Rica. This made many small and medium sized

growers to make successful transition to the commercial farming of coffee (Palmer & Molina, 2009).

In Ethiopia, Cooperatives have stabilized the coffee market and the inclusion of coffee reforms has eliminated the middlemen which provided a steady restoration of coffee based economy hence financial stability (Gready, 2005).

In Kenya, coffee production began in 1893 when missionaries brought coffee to the area around Nairobi. Coffee producers were affiliated with the cooperative movement that began shortly after independence in 1963 (Aksoy, 2012). Kenya is recognized worldwide of excellent coffee which is required to command high price in the world market. Unfortunately, Kenya's production is not a great money maker for those farmers who currently grow it. Most Kenyan farmers grow and sell as part of coffee growers' cooperatives. In exchange for a portion of the price, the freshly picked coffee will be realized at market, the cooperative supplies the grower with fertilizer and insecticides, processes the crop, and ships the dried coffee berries to the Kenya Coffee Board to be sold at auction (Sobania 2003). Initially there were two bodies that were dealing with coffee farmers namely Coffee Marketing Board (CMB) and Coffee Board (CB) which were merged in 1971 to become (CBK) Coffee Board of Kenya (Aksoy, 2012).

In 1992, coffee reforms were put in place in Kenya as part of overall liberalization of the economy with the intent of reducing government involvement in the coffee sector. Due to reforms, private millers lobbied for direct sales to foreign buyers rather than through CBK auction. This empowered farmers because they had to sell coffee through their own efforts (Aksoy, 2012). The cooperatives were poorly equipped and could not handle the new responsibilities. These reduced the payment made to coffee growers and the coffee smallholder industry found itself mired in increasing levels of corruption, political opportunism and gross mismanagement (Aksoy, 2012).

As much as coffee is referred as a cash crop in Kenya, it has not been reliable in the recent past given the rapidly rising risk and uncertainty associated with its production and commercialization. These adverse shocks and uncertainties facing coffee farming have posed as serious economic hardship not only to the coffee farmers and their families but also to other economic agents in the country (Degnet, 2004).

In central Kenya, there have been conflicts in the cooperative societies due to fall of international demand of coffee that has put strain on domestic production. This has gone to an extent of farmers threatening to lynch cooperative officials who have then been sacked due to embezzling of cooperative money in Kagari Central Coffee Farmers Cooperative Society. In October 2000, there were also conflicts in a meeting to discuss internal problems in Othaya Farmers Cooperative Society (Alao, 2007).

In Kangema Constituency which is in Murang'a County, there are three coffee cooperative societies namely Iyego Farmers Cooperative Society Ltd, Kiriti Farmers Cooperative society and Kanyenya-ini Farmers Cooperative Society. It has been noted that the coffee production during the last five years has been fluctuating from season to season.

Iyego Farmers' Cooperative Society Ltd. is the biggest coffee cooperative society among the three in Kangema Constituency. It is located at the heart of Kangema Town. This Cooperative Society used to man twelve (12) factories. Unfortunately, due to great decline in coffee production following a drastic drop of coffee prices, three factories were closed. These being:- Nyakahura, Kiairathe and Kabiruini. The remaining coffee factories at present are nine (9) in number namely:- Iyego Main, Mununga, Gatubu, Marimira, Watuha, Gathima, Gitura, Thangathi and Kirangano. Farmers from all these factories are the members of this Cooperative Society. There is also Kiriti Farmers Cooperative Society which is found towards the west of Kangema town and mans three factories which are Kayu, Gondo and Kirimahiga. Finally, there is also Kanyenya-ini Farmers Cooperative Society which is found at the south of Kangema town and mans two factories which are Gathiga and Miroroma.

1.2 Statement of the Problem

There is crisis destroying the livelihoods of coffee producers around the world (Gresser & Tickell 2004). The price of coffee has fallen by almost 50% and long term prospects are grim, developing country coffee farmers now sell their coffee for less than they cost to product (Gresser & Tickell 2004). This falling of coffee prices may affect the coffee production by farmers leading to fall of coffee cooperatives in operation. This happens when the output of coffee does not commensurate the input that is put into the production of coffee itself.

In Kenya, deterioration of the coffee cooperatives can also be attributed to irresponsibility of cooperative management that culminated in complete unregulated member autonomy over all aspects of cooperative activities (Barrett *et al* 2007). Declining of international coffee prices explain the bulk of Kenya's smallholder coffee crisis (Barrett *et al* 2007).

Murang'a County which is in Central Kenya has 35 coffee cooperatives which are all under Murang'a Farmers' Cooperative Union (Appendix vii). This cooperative union works hand in hand with other coffee cooperative societies to assist the coffee farmers in the management of their coffee who later market their coffee through Coffee Board of Kenya locally and internationally. There have been reports in the press and print media about how coffee sector is deteriorating in Murang'a County (Appendix iv). This has made the current Murang'a County Governor, Hon. Mwangi wa Iria to request for a system audit to determine what is ailing the coffee sector in the County. In Kangema constituency, It has been noted that coffee production in the three cooperatives has been fluctuating in the last five years (Appendix vi). The researcher has therefore decided to conduct research in this Constituency which has only three coffee cooperatives due to time limit. In this study, researcher wishes to establish the factors influencing performance of coffee cooperatives in Kenya: A case of Kangema Constituency.

1.3 Purpose of the Study

The purpose of study was to investigate factors influencing performance coffee cooperatives in Kenya, a case of Kangema Constituency in Murang'a County.

1.4 Objectives of the Study

The study was guided by the following objectives: -

- i. To determine how income level of farmers influence performance of coffee cooperatives in Kangema Constituency of Murang'a County, Kenya.
- ii. To assess how demarcation/fragmentation of land influence performance of coffee cooperatives in Kangema Constituency of Murang'a County, Kenya.
- iii. To identify how training of farmers influence performance of coffee cooperatives in Kangema Constituency of Murang'a County, Kenya.

- iv. To establish how management skills of cooperatives' workers influence performance of coffee cooperatives in Kangema Constituency of Murang'a County, Kenya.

1.5 Research Questions

The study was guided by the following research questions: -

- i. How does the level of income of farmers influence performance of cooperatives in Kangema Constituency of Murang'a County, Kenya?
- ii. How does demarcation/fragmentation of lands influence performance of coffee cooperatives in Kangema Constituency of Murang'a County, Kenya?
- iii. How does training of farmers influence performance of coffee cooperatives in Kangema Constituency of Murang'a County, Kenya?
- iv. How do management skills of the cooperatives' workers influence performance of coffee cooperatives in Kangema Constituency of Murang'a County, Kenya?

1.6 Significance of the Study

The Study was hoped to help cooperative societies improve their services with regard to assisting farmers with farm inputs and other requirements like consistency in training. The study also came up with ways that may help farmers to know what is required of them to improve their coffee production in future for sustainability purposes.

This study was hoped to come up with general recommendations on how the coffee cooperatives should be taken care of to ensure sustainability which does not only help farmers, but also improve the general economy of the country through money earned on coffee export.

Finally, the findings of the study were hoped to bridge the gap that the previous researchers had left as far as factors influencing coffee cooperatives is concerned.

1.7 Assumptions of the Study

The researcher assumed that the Cooperative Societies' authority would provide adequate assistance as far as this research is concerned. The researcher also assumed that respondents would freely give adequate information to the researcher without fear or any kind of reservation. The researcher further assumed that the economic, social and other factors with

regard to cooperatives in Kangema Constituency would remain constant during the period of study.

1.8 Limitations of the Study

Lack of adequate resources in terms of finance and time would have affected the study. The researcher raised funds through loan to ensure that the study took place smoothly without interruptions.

Some respondents didn't have enough time to respond to the questionnaires. The research managed to leave the questionnaires behind to give the respondents enough time to respond at their own convenient time.

Finally, communication breakdown due to levels of education of respondents would have been a big problem. However, the research had to seek for four research assistants who were well conversant with the dialect used by the respondents. The research assistants also were able to translate the questionnaire to the respondents for them to understand.

1.9 Delimitations of the Study

The study based its research on the factors influencing performance of coffee cooperative societies in Kenya. The study was carried out in the three coffee cooperatives in Kangema Constituency of Murang'a County, Kenya. This is because, the time frame provided for the research could only fit the three cooperative societies. The study targeted the entire management of the Coffee Cooperatives as well as all the coffee cooperative members (coffee farmers) in Kangema Constituency of Murang'a County.

1.10 Definitions of Significant Terms as used in the Study

Income level of farmers: Income level of farmers is the sum of all the wages, salaries, profits, interests payments, rents and other forms of earnings received in a given period of time. It is therefore the amount of money received during a period of time in exchange for labour or services, from the sale of goods or property, or as profit from financial investments.

Land demarcation/Land fragmentation: This is partitioning of land through dividing

into smaller pieces to ensure each person has a share. It can be through inheritance or even through selling to other parties. The size of land depends on the agreement between the parties concerned as well as the size of the land in question.

Training of farmers:

This is the acquisition of knowledge, skills, and competencies as a result of the teaching of vocational or practical skills and knowledge that relate to farming. Training has specific goals of improving farmers' capability, capacity, productivity and performance.

Management Skills:

These are skills that are learned and cultivated e.g Time management, self management, Training and coaching, motivation, planning directing, controlling, organizing and others. They help managers to ensure that each job done well and according the organizational requirements.

Performance of Coffee Cooperatives: This is accomplishment of duties in terms of accuracy, time taken, efficiency, effectiveness and consistency in the coffee cooperatives.

Government Policies:

This is a plan or course of action from government or government related parties that may influence or determine decisions and actions to be taken by the coffee cooperatives.

1.11 Organization of the Study

The study has five chapters. Chapter one dwelt with the introduction of the research to be done, background of the study, problem statement, objectives, research questions, limitations and delimitations of the study.

In chapter two, the researcher sought for literature that has been researched before by various researchers related to the study under investigation. It also sought for theories related to the study. The researcher conceptualized the variables which made it clear to researcher and was able to understand the research undertakings. Chapter three sought to explain the research methodology that was used to collect data as well as the data collection tools that were used by the researcher in the collection of data. Chapter four covered data analysis, presentation, interpretation and dissemination while Chapter five covered discussion, recommendations and conclusions of the research results.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter covered literature review. The chapter intended to review theories and related studies on factors influencing performance of coffee cooperatives in Kenya. It also reviewed empirical studies on the same study. Through theoretical and empirical studies, the researcher was able to locate gaps that the previous researchers left and was able to come up with solutions for these gaps. The chapter also covered conceptual framework that will help the researcher to relate both independent and dependent variables.

2.2 Farmers' Level of Income and Performance of Cooperatives

One can really tell the performance of a business depending on the financial statement one is producing. If the financial statement shows large figures, it portrays that the performance of the business is doing fine and vice versa (Heneman, 2002).

During the 20th century, a devastating disease (coffee wilt disease) spread across Africa reducing yields, destroying millions of coffee trees in affected counties and costing hundreds of millions of dollars in lost earnings to farmers. This disease led to decline in revenue to the African nations due to reduced coffee production (Flood 2009). In the second half of the 20th century, the coffee wilt disease hit Africa again which completely brought about production of coffee constraint especially on Arabica coffee in Ethiopia leading to a big shift from being predominantly plantation cultivation to predominantly small holder production of coffee (Flood, 2009).

The consequence of price instability in coffee goes beyond serious effects on inputs use, production and incomes. Cooperatives concerned are also affected in the medium or long-term, since uncertainty makes it difficult for farmers to make adequate production decisions, obtain credit and maintain reliable marketing relations. Due to income shocks, some farmers even abandon their coffee plantations leading to a major effect on the economic growth at regional and national level.

Market forces in coffee has caused depressed prices resulting from excess costs on production, cost of input such as transport, machinery, labour and materials (Waller, Bigger & Hillocks 2007). The decreasing profit margins resulting from these opposing trends have

made farmers especially smallholder farmers who rely on coffee as their cash crop to produce less coffee. In Rwanda, farmers are able to sell their coffee beans at higher prices. The price that the Cooperatives and private sector are paying has been increasing at a high rate. A study shows that farmers who sell coffee cherries to washing stations increase their annual expenditure by 17% compared with farmers who sell lower quality parchment coffee. The same study shows that since reform, coffee farmers have increased their food consumption and their overall household expenditures leading to improved food security and a general improvement of the economic conditions of the coffee farmers and cooperatives (Chuhan-Pole & Angwafo, 2011).

2.3 Demarcation/Fragmentation of Land and Performance of Cooperatives

Land demarcation or fragmentation refers to the situation in which land holdings consist of numerous spatially separated land parcels that may be small in size, irregular in shape dispersed from one another and separated by boundary lines (Geertman et al 2011).

Land demarcation implies to defective land tenure structure which may be preventing efficient agricultural production and sustainable rural development (Geertman et al 2011). Land in most parts of Kenya belongs to the old males. Ethnic group, the village, the family or individuals cannot usually alienate or acquire land through the market process. Some farmers are therefore confined to their meager family holdings, starved for land while others are burdened with excess land that cannot be put in profitable use (Song'onny, 2008). Women especially are denied access to land. Men forget that the empowerment of women through getting a share of the land would lead to benefits not only to the individual woman or other women groups but also to the families and communities as a whole through collective action for development. Giving land to women makes the best way to tackle poverty and it also enables the community to improve its quality of life through social mobilization of poor especially women (Suguna, 2006).

However, land reforms which have led to land redistribution exercise have had devastating effects on the coffee industry. This is because the coffee farms have been resettled and have not been productive as before and in most cases, coffee plantations have been pulled out (Chikuwa, 2013). The remaining farmers have been wary of increasing production owing to the uncertainty surrounding their land tenure. This was mainly caused by the fact that those

who took over coffee farming did not have any technical skills in farming and therefore inherit the land by default (Chikuwa, 2013).

Another main barrier that has to do with land and is hindering smallholder's access to agricultural credit in developing countries is the ability to convert property into usable asset due to lack of clear cut, legally recognized and transferable land tenure rights. This is because there are many 'dead property' around the world due to the fact that owners do not have official title to the land hence cannot make good use of it (United Nations Conference on Trade and Development 2010).

Land partitioning, more so through inheritance has led to people having small pieces of land. This has also contributed to farmers having to divert their farming habits from cash crop farming to subsistence farming. This is because the piece of land can only sustain the subsistence crops for their daily use.

2.4 Training of farmers and Performance of Cooperatives

Training and development is becoming increasingly more important in the workplace. This is because they act as a means to help workers become better performers. This is because educating workers is a means to help them become better performers (Wang & King, 2009).

DuBrin (2009) says that training and development deal with systematic approaches to improve employee skills and performance. Training is any procedure intended to foster and enhance learning among employees and particularly directed at acquiring job skills. Training can develop both hard skills (technical, scientific, and numerical) and soft skills (interpersonal skills and attitudes).

In Uganda, a Guatemalan National Coffee Association company operates local offices that give farmers access to technical seminars and workshops, regional coffee fairs and other services (Thurston et al 2013).

During land reform programmes, the beneficiaries fail to be trained on coffee production hence its production goes down. The beneficiaries sometimes tend to change the type of

crops in their farms by replacing the available coffee plantations with more 'manageable' crops (Chikuwa, 2013). This trend has led to coffee cooperatives with less or no work to do for the farmers.

The results of output would improve because farmers would be able to tackle problems and challenges that may be encountered if training of farmers can be given priority to the cooperatives concerned. This would as well improve the sustainability of the cooperatives since there would be marketing for coffee all seasons due to high productivity achieved by farmers.

2.5 Management Skills of Coffee Cooperatives Management staff and Performance of Coffee Cooperatives

The role of today's manager is more complicated because of the ever changing environment. He should therefore be able to deal with the complexity and speed of change that is occurring in the organization (Ellis, 2005). In Kenya, deterioration of the coffee cooperatives can also be attributed to divestment of cooperative management that culminated in complete unregulated member autonomy over all aspects of cooperative activities.

Stainsby, (2007) says that the ability to communicate, to exchange information, ideas, feeling, hopes, dreams and fears, is perhaps the most influencing factor in human development. By getting ones message across successfully, one accurately convey thoughts, ideas and others to the listeners who in turn perceive the message in the same way. This saves time to the people involved hence improving on efficiency.

For any manager, problem solving skills are important at any work place. One has to learn how to confront and handle difficulties without allowing them to overwhelm him. However, this requires practices. Strategies have been developed to help managers able to cope with difficult situations to see the way forward (Stainsby 2007). This skill is important at work place as it will also help in saving time whenever a problem arises hence improving effectiveness.

Cooperatives management therefore should be able to deal with risks available to sustain the production of coffee by farmers (Aizenman et al 2005). The cooperatives should promote alternative agriculture aquaculture, develops new models of commercialization and production and promotes savings plans and credit programs to the farmers (Martínez-Torres 2006). This will help farmers to sustain their production and income steadily instead of stagnation. Risk management saves costs hence improving the financial status of a firm.

There are circumstances where corruption can take place in any cooperative Kenya. It easily takes root among the leadership where rent-seeking in cooperatives is widespread. There is also vote buying which ends up putting the wrong people in offices. There should also be ensured that politically savvy individuals do not interfere with cooperatives elections to avoid manipulation (Barrett, C. et al 2007).

2.6 Government Policies

Government policies can affect any organization (Carroll & Buchholtz, 2010). Tax deductibility, tax incentives, depreciation policies, tax credits, monetary policies and moral suasion are tools that are all at the disposal of the government. In moral suasion, the government, through the president persuades businesses to act in the interests of the public to increase or decrease the amount of money in question (Carroll & Buchholtz, 2010).

Governments can also use subsidies which are financial support to any economic sector (institutions or individuals) by governments to generally boost the social and economic situations (Clément, 2007).

2.7 Theoretical Framework

Herbama's Communicative Action theory supports this study. It will enable the researcher and the readers to understand the basic survival tactics of cooperatives in Kenya. Cooperatives are empowerment tools to those people who cannot be able to talk on their own behalf. A cooperative society therefore attempts to gain control, obtain the needed resources and critically understand members' social environment to ensure that all their requirements are met. Through cooperative societies, members are empowered as they help people develop their skills and become self reliant through problem solving and decision making (Boraian, 2008). On the other hand, people in the market system form cooperatives to increase their market power (Merrett and Walzer 2004).

Herbamas (1981) developed a theory of communicative action where communication action is as a result of mutual understanding among human beings leading to agreement and consensus (Bevir 2010). This is because human beings are linguistic and communicating beings. Herbama's Communicative Action theory serves to transmit and renew cultural knowledge in a process of achieving mutual understanding. It then coordinates action towards social integration and solidarity and finally helps people to find their identities.

Fielding and Fielding, (2005) say that communication is important to any organization. This is because it creates an atmosphere of participation among the parties concerned. It also brings about trust as well as mutual understanding among the parties because of the interactive nature that it has.

While cooperative movement is characterized by localized, small-scaled efforts to understand and control market forces towards social end, cooperativism viewed the market as an instrument equally amenable to social and communicatarian control as it was to control by capital. It has stayed away from a program of political control because it has very little interest of state power and its focus is social and practical (Restakis 2010).

Communication in the cooperatives is vital in any organization for it to meet successful endeavours. In this case, information channels should be clear for concerned individuals to access without problems. This would help them deal with problems with ease as well as taking advantage of any opportunity without delays.

2.8 Conceptual Framework

Coffee cooperatives performance relies mostly on how the coffee farmers are doing in their coffee farms. Without coffee farmers, there would be no operational coffee cooperatives in Kenya. The researcher is therefore obliged to research on the factors influencing performance of coffee cooperatives in Kenya: a case of Kangema Constituency.

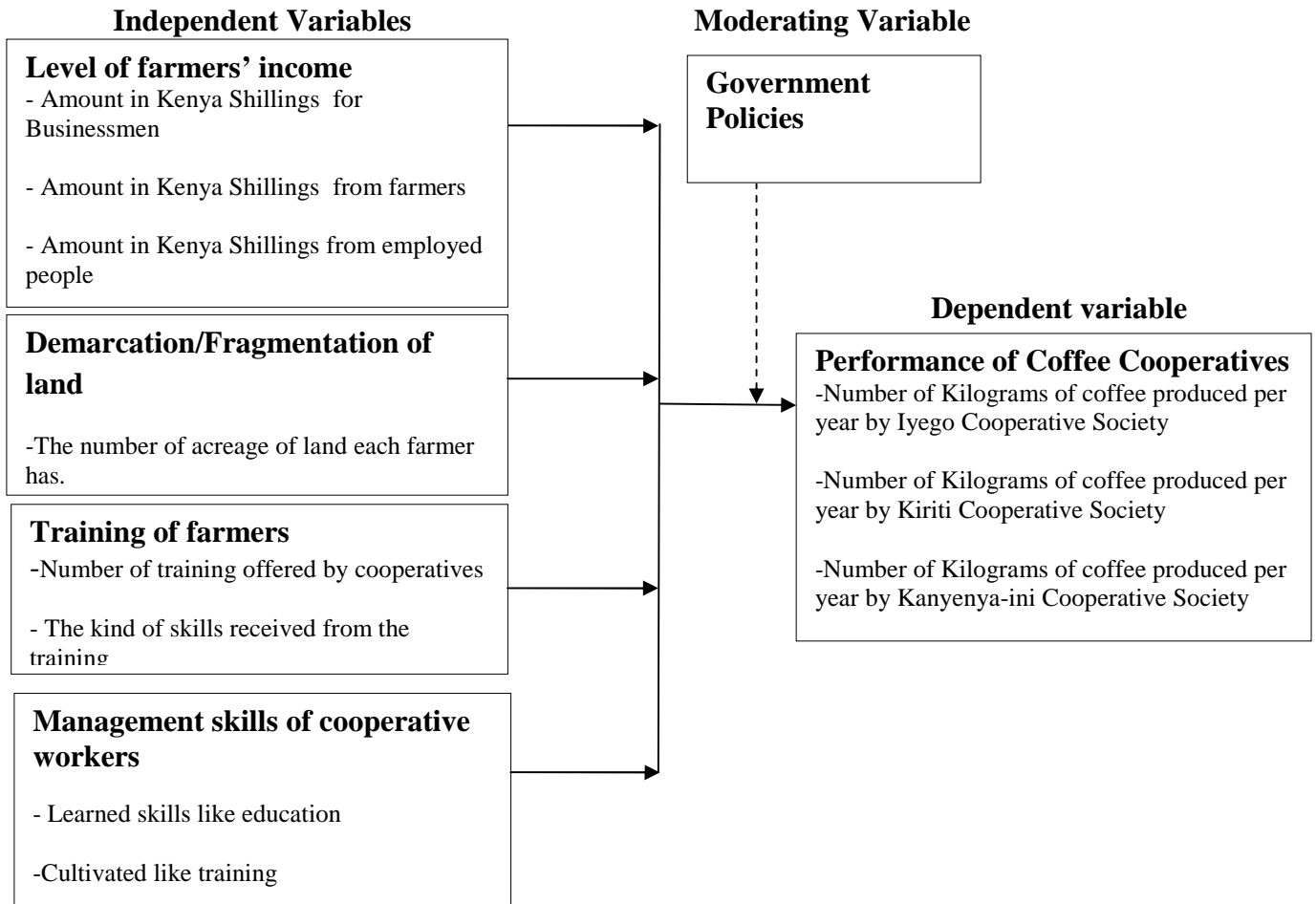


Figure 1: Conceptual Framework

The study proposes that the factors that influence the coffee cooperative performance are several one being the level of income of farmers. This income is salaried or any other income that farmers get. When the farmers' income is low, they may not be able to meet coffee growing related requirements hence reducing their output. These requirements could be buying of fertilizers, pesticides as well as labour charges.

Demarcation/fragmentation of land may also affect production of coffee as the lands available are demarcated to the available members hence reducing in acreage. A farmer may find it difficult to grow coffee as a cash crop when the land is small and think of growing other on season items as a subsistence farmer. This would reduce coffee production or even lead farmers not produce coffee at all hence making coffee cooperatives irrelevant to the farmers.

Training farmers on matters related to coffee growing is important. If the farmers are not trained, they may not be able to overcome challenges that come with coffee growing. Trained farmers on the other hand will be able to deal with any available opportunity and increase their production.

Management skills are learnt, and then cultivated. Education in this case is important to the cooperatives management staff as well as to the farmers themselves. Management of every cooperative must be knowledgeable on the issues that pertains their respective cooperatives. Their level of education should go hand in hand with the responsibilities at hand to ensure that only qualified people get the opportunity to work in cooperatives to avoid mismanagement and misuse of power. Also, they should improve their skills through further training. Well skilled cooperative management will be able to manage their cooperatives using the skills taught other than working under influence of their peers. On the other hand, educated and well trained farmers will also be able to counter deal with farming issues like diseases, climate change and other farming techniques required to be more productive. Security in any organization is very important. It enhances confidence in every undertaking that takes place in any organization. In most cases, people do not want to be associated with an insecure place or organization.

Government policies influence decisions made at the cooperative societies. For example, political involvement can develop cooperative activities. At the same time, it can interfere with the development hence causing cooperatives to collapse. This can be brought due different interests between the parties involved some of which may be self centered.

2.9 Knowledge Gaps

Various studies have been conducted on performance of coffee cooperatives in Kenya. The researcher reviewed some of these related studies and found out that none of these studies has been done on the coffee cooperatives in Murang'a County. The researcher therefore wanted to fill this gap that the previous researchers had not filled.

Table 2.1 shows the knowledge gap as far as this study is concerned. This is in relation to the previous studies that have been conducted by various researchers.

Table 2.1 Knowledge Gaps

Variable	Author(s)	Finding(s)	Knowledge gap
Level of income	Heneman, 2002, Flood, 2009 Waller, Bigger & Hillocks, 2009 Chauhan-Pole & Agwafo, 2011	Level of income in particularly in Africa influences performance of workers. Issues of group dynamics are also significant	There is need to extend the finding to the coffee cooperatives in Kenya. This is because no study has been done in relation to coffee cooperatives
Land Fragmentation	Geertman et al 2011, Song'ony, 2008 Suguna, 2006 Chikuwa, 2013 UNCTAD, 2010	It has been noted that land fragmentation has resulted to low production hence, poor performance	These indicates that the land policies are not clear to the land users. There is need to review land policies especially in Kenya
Training of farmers	Wang & King, 2009 Dubrin, 2009 Thurston et al, 2013 Chikuwa 2013	Training is significant in group dynamics and plays a major role on performance of workers	There is need to incorporate training of farmers by cooperative management. There is also need of creating awareness through sensitization programmes, of the available training by the cooperative management
Management skills of Cooperatives staff	Ellis, 2005 Stainsby, 2007 Aizenman et al, 2005 Martinez-Torres, 2006 Barret et al, 2007	Management skills are learned and cultivated. Skills learned improve performance of workers in various perspectives	There is need to encourage workers to cultivate their skills to fit the growing technology. This is more so in the farming sector, where traditional farming methods are used. There is also need to sensitize workers on the required skills to that they can apply them accordingly

2.10 Summary of Literature Review

Coffee price volatility has a negative and even disastrous impact on welfare of coffee farmers, income distribution and poverty. The consequence of price instability goes beyond contemporaneous effects on inputs use, production and incomes. Land reforms on land redistribution have made land users to deviate from coffee to subsistence farming. This is the lands have become too small for any cash crop. This is because the lands available have

become too small. Training of farmers on how to take care of their coffee is important because it will make them being able to conquer coffee diseases that may arise as well as being able to deal with climate change. They should also be trained on how to protect the environment to ensure that climate change is put in control. Coffee cooperatives management should be qualified in their respective duties ensure that all procedures and requirements are met without deviating the available law for the sake of farmers welfare. This is because farmers are the key stakeholders of these coffee cooperatives.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1. Introduction

This chapter provided an explanation of the research methodology that was applied by the researcher when carrying out this research. It also explained the design used by the researcher in carrying out the research. The chapter also described the characteristics of the target population. It as well provided the best sampling methods and procedures to be used by the researcher as far as this study was concerned. The Chapter also explained the data collection instruments used during the data collection period and how they were used. Finally, this Chapter explained how the data collected was analyzed and presented by the researcher.

3.2 Research Design

The researcher used a survey design to establish how the five factors influence performance of Coffee Cooperatives. It was a case of Kangema Constituency of Murang'a County, Kenya. Being a descriptive design, it resulted in the formulation of knowledge and solution to existing problems. Survey design is normally used when collecting information about people's attitudes, habits or opinions and other possible behavior (Heppner et al 2008). The design gave high validity since the sample of participants was taken directly from the population of interest. In this case, the researcher got opinions from the respondents on the factors stated influence performance of coffee cooperatives in Kangema Constituency, Muranga County, Kenya. At the same time, the researcher observed the behaviours of the respondents as they give their opinions towards performance of these Cooperative Societies.

3.3 Target Population

Mugenda and Mugenda (2003) defined target population as the population the researcher studies and whose findings are used to generalize the entire population. The target population for this study was individual members of the three coffee cooperative societies in Kangema Constituency as well as the staff members of the coffee cooperatives. The study therefore used the coffee cooperative members as well as coffee cooperatives staff as a sampling frame within which the sample was based. According to the coffee cooperatives census in Kangema Constituency, there were 12,366 farmers who were cooperatives

members and 54 members of cooperatives staff. Therefore, the target population was 12,420 individuals.

Table 3.1 Target Population

	Farmers	Cooperative Staff	Total
Coop. Society	Frequency	Frequency	Frequency
Iyego	7941	24	7965
Kiriti	3125	17	3142
Kanyenya-ini	1300	13	1313
Total	12366	54	12420

Source: Kangema Constituency Coffee Cooperatives census documents

3.4 Sample Size and Sampling Procedure

This section dealt with the sampling frame, sampling procedures and the sample size of the study. The sampling frame describes the list of all the population units from which the sample was selected (Cooper and Schindler, 2003). As explained in Table 3.1, the sampling frame was 12,420 individuals within the two groups. These groups are farmers and cooperatives staff.

Stratified random sampling was used in the study to select the respondents. According to Kombo and Tromp (2006), it involved dividing the population into homogeneous subgroups and the took simple random sample from each group. For this study, each cooperative society was regarded as a stratum. Simple random sampling was used to select the respondents from each stratum.

The sample population of the study was determined by use of the Krejcie and Morgan (1970) table (see Appendix iv). In this case, the sample population was 375 individuals derived from two different sampling units. These sampling units were the cooperatives members (farmers) and the cooperatives staff. The sample population for the cooperative members (farmers) was 327 individuals and that for the cooperative staff was 48 all totaling to 375 individuals.

Through use of ratio, the researcher managed to get the sample population for each strata which is reflected in Table 3.2.

Table 3.2 Sample Population

	Farmers	Management Staff
Coop. Society(strata)	Freq.	Freq
Iyego	$7941/12366*327=210$	$24/54*48=21$
Kiriti	$3125/12366*327=83$	$17/54*48=15$
Kanyenya-ini	$1300/12366*327=34$	$13/54*48=12$
Total	327	48

3.5 Data Collection Instruments

The researcher used both primary and secondary methods to collect data. In the former case, the researcher used semi-structured questionnaires as observation methods to acquire data. The questionnaires will had both open ended and close ended questions. This made it easy for the researcher to analyse data. The researcher standardized the questions by use of an understandable language which helped the respondents to answer without much difficulty. In the later case, secondary data was obtained from the existing documents from the three cooperatives like books and magazines.

3.5.1 Pilot Testing of the Research Instruments

A pilot study of the questionnaire was administered to a small sample of farmers and cooperatives staff to assess the capability of research instruments to collect the required data for this study. This was done to validate of the contents, wording of the questions and to identify any areas that needed to be supplemented or improved to the research instrument. The pretest was done to different individuals from the ones used in the study.

3.5.2 Validity of the Research Instruments

Validity is the extent to which the questions provide a true measure of what they are designed to measure (Cooper and Schindler 2005). In this study, the researcher used content validity to test the validity of instruments that were used. In this case, content validity measured the degree to which the data collected using a particular instrument represented a specific domain of indicators or content of a particular concept. The content validity was verified by my supervisor who is acquainted with research as well as project planning and management knowledge. The researcher also used face validity which confirmed whether

the instruments used appeared to measure the indicators in question. Face validity refers to the transparency or relevance of a test as they appear to test participants. Face validity showed whether the questions are well organised and arranged (Brink, et al 2007).

3.5.3 Reliability of the Research Instruments

A pretest was administered by the researcher to a different population from the one to be used in the study. The experience that was gained from the pretest assisted in the modification, restructuring and rearrangement of questions used appropriately. This means that their responses served as a basis for re-constructing the tool of data collection which was the questionnaire.

The researcher also tested reliability by use of internal consistency test based on Cronbach Alpha. It is determined by correlating the scores obtained during the process of data collection by the research instruments. Cronbach Coefficient Alpha values between -1 to 1 meaning that the coefficient is high when its value is equal or greater than 0.7 other wise it is low. A high coefficient therefore implies high correlation meaning high consistency and therefore the instrument will be retained after the pretest. When the coefficient is low, the instrument is supposed to be reviewed or removed completely (Singh, 2007).

The general reliability was evaluated for the four objectives with the following findings

Table 3.3 Reliability Test Index

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Item	No. of Items
.757	.816	4

In this case Table 3.3 shows a reliability index of 81.6%. This indicates a high level of consistency of the results obtained. Since the items used in the scale were on different metrics, the report of Alpha is based on standardized items.

The primary purpose of Cronbach's alpha is to provide an indicator of the internal reliability or consistency of items in a multiple item scale or index (Singh, 2007).

3.6 Data Collection Procedure

As a requirement the researcher wrote an introduction letter to the respondents. This letter was used as an introduction to the respondents while collecting data. The researcher also got a permit from Kenya National Council of Science and Technology which authorizes researchers in Kenya to conduct research locally. The researcher also sought permission from the Kangema Constituency authorities to conduct the study in the area. While all the documentation was ready, the researcher trained the research assistants for two days on how the data will be collected, after which the researcher and his assistants entered into active data collection through organizing for a meeting with the members of the three cooperative societies (farmers) and management staff on separate days. This ensured that the researcher and his research assistants randomly selected the respondents according to the sample population allocated to each cooperative society. During the meeting, questionnaires were issued and were collected after the meeting.

3.7 Data Analysis Techniques

The collected data was thoroughly examined for error and was tabulated. The researcher carried out descriptive analysis in every objective and descriptive statistics were used to examine and explore one variable at a time which helped the researcher understand and interpret the study. Descriptive statistics is used when a sample consists of more than one variables, to describe the relationship or even show comparison among variables (Brink, et al 2007).

The researcher with the help of a qualified statistician used the Software Package for Social Sciences (SPSS) version 17 to analyze the data. The data was finally presented in form of tables.

3.8 Operational Definition of Variables

Table 3.3 shows the operational definition of the independent and dependent variables, and the means of measuring the indicators.

Table 3.4 Operational Definition of Variables

No.	Variables	Type of Variable	Indicators	Tools	Measurement Scale used	Data Analysis
A		Dependent Variable				
		Performance of coffee cooperatives	Output in Kilograms	Questionnaire	Ordinal	Frequencies and Percentages
B		Independent Variables				
1.	To assess how income level of farmers influence performance of coffee cooperatives	Farmers income	In Kenya shillings per month	Questionnaire	Ordinal	Frequencies and Percentages
2.	To assess demarcation of land influence performance of coffee cooperatives	Land Demarcation	Acreage of land for each farmer	Questionnaire	Ordinal	Frequencies and Percentages

No.	Variables	Type of Variable	Indicators	Tools	Measurement Scale used	Data Analysis
3.	To assess how training influence performance of coffee cooperatives	Training	-Frequency of trainings to farmers -Skills attained	Questionnaire	Ordinal	Frequencies and Percentages
4.	To establish how management skills influence performance of coffee cooperatives	Management Skills of cooperatives staff	Level of education for each member of management	Questionnaire	Ordinal	Frequencies and Percentages

3.11 Ethical Issues

The researcher ensured that confidentiality was observed throughout the research period. This was through training and vetting of research assistants on how to deal with information offered by the respondents. It was also made known to the respondents that the information that they provided was safe and confidential. This increased confidence of the respondents which improved on the dissemination of information.

CHAPTER FOUR
DATA ANALYSIS, PRESENTATION AND INTERPRETATION

4.1 Introduction

This chapter presents the data analysis, presentation and interpretation of the findings of the study. It presents findings on influences of income levels of farmers, influences of land demarcation/fragmentation, influences of training as well of influences of management skills on performance of coffee cooperatives in Kangema Constituency of Muranga County, Kenya.

4.2 Questionnaires Return Rate

The study’s sample population for Cooperative members (farmers) was 327 but only 305 respondents managed to participate in the study. Coffee Cooperatives staff members sample population was 48 and all respondents managed to participate in the study. Table 4.2 explains the results.

Table 4.1 Questionnaire Return Rate for Farmers

Cooperative Society (members)	Actual Sample population	No. of questionnaires received	%
Iyego	210	199	94.8
Kiriti	83	78	94
Kanyenya-ini	34	28	82.4
Total	327	305	93.3

The general questionnaire rate for all cooperative societies’ members (farmers) was 210(93.3%). 199(94.8%) respondents were from Iyego Cooperative Society while those from Kiriti and Kanyenya-ini Cooperative Societies were 78(94%) and 28(82.4%) respectively. This was an impression that members were willing to know what influences their coffee cooperatives in this region.

Table 4.2 Questionnaire Return Rate for Cooperatives Staff

Cooperative Society (staff)	Actual Sample Population	No. of questionnaires Received	%
Iyego	21	21	100
Kiriti	15	15	100
Kanyenya-ini	12	12	100
Total	48	48	100

The Coffee Cooperatives staff questionnaire response rate was 100%. This was resulted by 21(100%) from Iyego, 15(100%) from Kiriti and 12(100%) from Kanyenya-ini cooperative societies. This means that the cooperative societies staff were willing to know what is affecting their coffee cooperative societies. This means that they would even wish to improve their operating systems to make cooperatives operate in a better way that would motivate farmers.

4.3 Demographic Characteristics of the Respondents

The demographic data of the respondents was assessed and the results obtained are as shown in Table 4.3.

Table 4.3 Distribution of Respondents by Gender (Farmers)

Factor	Variable	Cooperative society					
		Iyego		Kiriti		Kanyenya-ini	
		Frequency	%	Frequency	%	Frequency	%
Gender	Male	160	80.4	75	96.2	20	71.4
	Female	39	19.6	3	3.8	8	28.6
Total		199	100	78	100	28	100

Table 4.3 shows that out of the three Cooperative Societies, 160(80.4%) of the Iyego cooperative society members were male while 39(19.6%) were female members. 75(96.2%) of Kiriti Cooperative Society members were male while 3(3.8%) were female while

20(71.4%) of Kanyenya-ini cooperative members were male and 8(28.6%) were female members.

The results therefore showed that are more male members than female members in these cooperative societies as revealed by the above figures. This means that many men own coffee lands in this region than women hence high gender disparity in land ownership in the constituency.

Table 4.4 Distribution of Respondents by Gender (Cooperatives Staff)

Factor	Variable	Cooperative society					
		Iyego		Kiriti		Kanyenya-ini	
		Frequency	%	Frequency	%	Frequency	%
Gender	Male	8	38.1	13	86.6	10	83.3
	Female	13	61.9	2	13.3	2	16.7
Total		21	100	15	100	12	100

Table 4.4 shows that 8(38.1%) from Iyego, 13(86.6%) from Kiriti and 10(83.3%) from Kanyenya-ini were male staff while 13(61.9%) from Iyego, 2(13.3%) from Kiriti and 2(16.7%) from Kanyenya-ini were female staff. Table 4.4 therefore shows that the staff members of the cooperative societies are mostly mixed in terms of gender that is no particular gender dominates any of the groups. However, Kiriti and Kanyenya-ini have a large gender disparity with 2(13.3%) female staff and 2(16.7%) female staff respectively. Iyego Cooperative Society has however tried to balance their gender composition though it can be improved.

Table 4.5 Distribution of the Respondents by Age (Farmers)

Total		199	100	78	100	28	100
Age	Less than 16 yrs	0	0	0	0	0	0
	16-30 years	0	0	1	1.3	0	0
	31-45 years	11	5.5	8	10.3	1	3.6
	45-60 years	163	81.9	59	75.6	12	42.8
	61 and above	25	12.6	10	12.8	15	53.6
TOTAL		199	100	78	100	28	100

The age distribution in Table 4.5 shows that majority of the members are more than 31 years. Those with between 31 years to 45 years are 1(1.3%) in Kiriti Cooperative Society while Iyego and Kanyenya-ini Cooperative Societies had none of that age bracket. The study shows that majority of members fell in the 45 – 60 years age category which had 163(81.9%) of Iyego, 59(75.6%) of Kiriti and 12(42.8%) of Kanyenya-ini Cooperative Societies. Those who were above 61 years were 25(12.6%) of Iyego, 10(12.8%) of Kiriti and 15(53.6) of Kiriti Cooperative Society.

The results showed that majority of land owners are between 45 years – 60 years meaning that young people have been denied a chance to own land hence few are members of cooperative societies. This could lead to young people becoming disempowered early enough hence becoming irresponsible in future.

Table 4.6 Distribution of the Respondents by Age (Cooperatives Staff)

Factor	Variable	Cooperative society					
		Iyego		Kiriti		Kanyenya-ini	
		Frequency	%	Frequency	%	Frequency	%
Age	Less than 16 years	0	0	0	0	0	0
	16-30 years	2	39.5	0	0	1	8.3
	31-45 years	5	23.8	5	33.3	6	50
	45-60 years	14	66.7	10	66.7	5	41.7
	Above 60 years	0	0	0	0	0	0

It was realized that, the employees age groups 31-45 and 45 – 60 years dominate the cooperatives. The young people seem to be left out of employment by these cooperatives probably due to lack of managerial skills and experience hence the older age group who are more skilled and experienced dominate the employee age percentage.

4.4 Income Level of Farmers and Performance of Coffee Cooperatives

The study sought to know the primary source of income by members of the coffee cooperatives and amount of coffee they produce per year. The results are shown in Table 4.7.

Table 4.7 Farmers Primary Source of Income

		Iyego		Kiriti		Kanyenya-ini	
		Frequency	%	Frequency	%	Frequency	%
Primary occupation	Farming	108	54.3	56	71.8	21	75
	Businessman	79	39.7	14	17.9	5	17.9
	Employed	12	6	8	10.3	2	7.1

Table 4.7 shows that 108 (54.4%) from Iyego, 56(71.8%) from Kiriti and 21(75%) from Kanyenya-ini practiced farming as their primary source of income. On the other hand, 79(39.7%) from Iyego, 14(17.9%) from Kiriti and 5(17.9%) from Kanyenya-ini got their

income from businesses. However, 12(6%) from Iyego, 8(10.3%) from Kiriti and 2(7.1%) from Kanyenya-ini got their income through employment.

The study shows that farming is a major economic activity among the Kangema constituents. This is because, over 50% members engaged in farming activities as their major source of income in the three Cooperative Societies. However, there are a few businessmen and employed persons in the area who are still members of the coffee cooperatives.

Table 4.8 Total Coffee Production Per year by Farmers

		Iyego		Kiriti		Kanyenya-ini	
		Frequency	%	Frequency	%	Frequency	%
No of Kgs of coffee produced per year	1 kgs-199.9kgs	43	21.6	34	43.6	6	21.4
	200kgs-499.9kgs	139	69.8	38	48.7	21	75
	500kgs-799.9kgs	15	7.5	4	5.1	1	3.6
	800kgs-999.9kgs	2	1	2	2.6	0	0
	1000 and above	0	0	0	0	0	0

Table 4.8 shows that 43(21.6%) from Iyego, 334(43.6%) from Kiriti and 21(75%) from Kanyenyaini cooperative societies only produced between 1kg – 199.9kgs per year. It also shows that 139(69.8%) from Iyego, 38(48.7%) from Kiriti and 6(21.4%) from Kanyenya-ini produced between 200kgs and 499.9kgs per year. Only 15(7.5%) from Iyego 4(5.1%) from Kiriti and 1(3.6%) from Kanyenya-ini produce between 500kgs and 799.9kgs per year. Finally, the table shows that 2(1%) from Iyego, 2(2.6% from Kiriti and 0(0%) from Kanyenya-ini produce between 800kgs and 999.9kgs per year.

After assessing the annual total coffee production, it was clear that majority of farmers produce an average of 200Kgs to 499.9Kgs yearly which is closely followed by 1Kg to 199.9Kgs yield category. The number of farmers who produce large quantity of coffee drastically, reduces in the 800Kgs-999.9Kgs yield category hence none of the respondents

produce above 1000kgs yearly. This would mean that the earnings the members have may not be enough to inject in coffee farming business.

Table 4.9 Farmers Income

		Iyego		Kiriti		Kanyenya-ini	
		Frequency	%	Frequency	%	Frequency	%
income	Less than 10,000	30	15.1	20	25.6	4	14.3
	10,001-20,000	98	49.2	28	35.9	8	28.6
	20,001-30,000	45	22.6	19	24.4	12	42.8
	30,001-40,000	21	10.6	7	9	3	10.7
	Above 40,000	5	2.5	4	5.1	1	3.6

Members of the cooperative societies' (farmers) monthly income was assessed and the following was found.

Table 4.9 shows that farmers from who earn less than Kshs. 10000.00 are Iyego 30(15.1%), Kiriti 20 (25.6%) and Kanyenya-ini 4(14.3%). It also shows that those who earn between kshs.20,000.00 and Kshs. 30,000.00 are Iyego with 45(22.6%), Kiriti with 28(35.9) and Kanyenya-ini with 8 (28.6%). There are also those who earn between Kshs.30,000.00 and Kshs. 40,000.00. These are Iyego with 21(10.6%), Kiriti with 7(9%), and Kanyenya-ini with 3(10.7%). Finally, those who earn above Ksh. 40,000.00 are Iyego with 5(2.5%), Kiriti with 4(5.1%) and Kanyenya-ini with 1(3.6%).

This shows that majority of farmers in Iyego and Kiriti Cooperative Societies earn between Ksh. 10,001- Ksh. 20,000 per month while Kanyenya-ini Cooperative Society farmers earned an average of Kshs. 20,0001-Kshs.30,000 per month. This income is not only from coffee farming, but from other farming activities, businesses and employment. Other farming activities include dairy farming, tea farming, French beans farming and others. It was also noted that very few farmers earn over Kshs. 40,000.00 per month while quite a number were paid less than Kshs.10,000.00 per month. This could have been attributed to the level of education of the individuals as well as the size on land that one has.

4.5 Land Demarcation/ Fragmentation and Performance of Coffee Cooperatives

The study also assessed the effect of land fragmentation on performance of the coffee cooperatives. The results are shown in table 4.7. The cooperatives members indicated the acreage of land that one owns which enabled the researcher to compare whether the bigger the land, the higher the production.

Table 4.10 Acreage of Land Owned by Farmers

Acreage of Land	Iyego		Kiriti		Kanyenya-ini	
	Frequency	%	Frequency	%	Frequency	%
Less than 1 acre	88	44.2	25	32	8	28.6
1 acre -4.9 acres	102	51.3	35	44.9	16	57
5 acres -9.9 acres	7	3.5	12	15.4	2	7.2
10 acres and above	2	1	6	7.7	2	7.2
Total	199	100	78	100	28	100

Table 4.10 shows that 88(44.2%) from Iyego, 25(32%) from Kiriti and 8(28.6%) from Kanyenya-ini cooperatives have less than one acre of land. The table further shows that 102(51.3%) from Iyego, 35(44.9%) from Kiriti and 16(57%) from Kanyenya-ini had between 1 acre to 4.9 acres. Also, 7 (3.5%) from Iyego, 12(15.4%) from Kiriti and 2(7.2%) from Kanyenya-ini had between 5 acres and 9.9 acres and finally, 2(1%) from Iyego, 6(7.7%) from Kiriti and 2(7.2%) from Kanyenya-ini had 10 acres and above.

This shows that most of the farmers own land of between 1 acre to 4.9 acres with very few owning above 5 acres. It has also been noted that quite a number of farmers own less than one acre. These shows there are land shortages in the area which could be as a result of land fragmentation or subdivisions.

Table 4.11 Need for More Land by Farmers

		Iyego		Kiriti		Kanyenya-ini	
		Freq	%	Freq	%	Frequency	%
Want more land?	Yes	193	97.1	72	92.8	27	97.1
	No	6	2.9	6	7.2	1	2.9
Reasons	Plant more coffee trees	43	21.4	11	14.5	1	3.6
		156	78.6	67	85.5	27	96.4
	Accommodate other types of farming						

Table 4.11 shows that 193(97.1%) from Iyego, 72(92.8%) from Kiriti and 27(97.1%) from Kanyenya-ini cooperatives felt that majority of farmers require more land for farming. However, 6(2.9%) from Iyego, 6(7.2%) from Kiriti and 1(2.9%) from Kanyenya-ini felt that they do not require any more land. Those who said that they would require more land for farming felt that 43(21.4%) from Iyego, 11(14.5%) from Kiriti and 1(3.6%) would plant more coffee trees while 156(78.6%) from Iyego, 67(85.5%) from Kiriti and 27(96.4%) felt that they would try some other types of farming other than coffee farming.

This reveals that there's need for more farm land since many farmers appeared to have less acres of land than they required. Though farmers admitted that they required more land for farming, majority of them said that they will accommodate other types of farming and not coffee farming. This could have been as a result of deterioration of coffee prices in the international market and also the fact that coffee is a seasonal product which could leave the farmers with no food when it is not in season. Table 4.8 shows reasons why farmers said they would require more land for farming.

4.6 Training of Farmers and Performance of Coffee Cooperatives

Training has been seen to affect performance of individuals. In this case, those who attended coffee farming related training felt that it benefited them in their coffee production. Table 4.12 explains how training is important to farmers.

Table 4.12 Training of Farmers

Factor		Iyego		Kiriti		Kanyenya-ini	
		Frequency	%	Frequency	%	Frequency	%
Does your cooperative offer any training to farmers	Yes	20	10	5	6.4	2	7.1
	No	33	16.6	23	29.5	5	17.9
	No idea	146	73.4	50	64.1	21	75
No of Training attended	None	179	89.9	28	35.9	26	92.9
	1-5	20	10	5	6.4	2	7.1
	Over 5	0	0	0	0	0	0
Skills helpful	Yes	20	100	5	100	2	100
	No	0	0	0	0	0	0

Table 4.12 show that 20(10%) of Iyego, 5(6.4%) of Kiriti and 2(7.1%) of Kanyenyaini cooperatives know that their cooperatives offer training sessions to their members while 33(16.6%), 23(29.5%) and 5(17.9%) respectively said that their cooperatives do not offer any training to the farmers. Majority of farmers 146(73.4%), 50(64.1%) and 21(75%) respectively said that they have no idea whether their cooperative societies offer any training. Those who attended these trainings found them helpful 20(100%), 5(100) and 2(100%) respectively. However, 179(89.9%) of Iyego, 28(35.9%) of Kiriti and 26(92.9%) of Kanyenya-ini have never attended any kind of training offered by the cooperative societies. 20(10%) of Iyego, 5(6.4%) of Kiriti and 2(7.1%) of Kanyenya-ini had only attended between 1 and 5 trainings.

Table shows that farmers attended only an average of 1-5 trainings and the skills gained were found to be helpful especially among the members of all cooperative societies. This shows that if these trainings can be given priority by the Coffee Cooperatives, it would help majority of members in their production of coffee. The cooperatives are therefore requested to put more effort in the upgrading their training systems to ensure that farmers get the right training as regard to the coffee farming.

4.7 Management skills and Performance of Coffee Cooperatives

Management skills are acquired and learnt. Ability to communicate or to exchange information is important to all managers (Stainsby,2007). Since management skills can be learnt, the researcher decided to check on the level of education of the cooperatives staff to see whether they have gained the relevance skills that would assist them to be able to serve their client properly. Timeliness of services may be affected if the staff do not have the required skills. Managers are also required to give motivation a great opportunity when dealing with staff. Remuneration should be checked especially when staff seems to be demotivated or demoralized.

Table 4.13 Timeliness of Services

		Iyego		Kiriti		Kanyenya-ini	
		Frequency	%	Frequency	%	Frequency	%
Are Services satisfactory in terms of communication & timeliness of services	Yes	27	13.6	2	2.6	3	10.7
	No	32	16.1	24	28.2	15	53.6
	Sometimes	140	70.4	54	69.2	10	35.7
How to Improve services	Employ more staff	43	21.4	17	21.7	10	35.3
	Salary increase	156	78.6	61	78.3	17	61.8
	Train staff	19	9.5	0	0	1	2.9

The management skills of the cooperative society workers were assessed according to Table 4.13. The Table shows that 32%, 24% and 53% of farmers of Iyego, Kiriti and Kanyenya-ini Cooperative Societies respectively do not get satisfactory services from their Cooperative Societies. However, majority, 70.4%, 69.2% and 35.7% of the members of Iyego, Kiriti and Kanyenya-ini Cooperative Societies said that the services offered by the cooperative societies are not consistent at all.

However, majority of members felt that that salary increase to cooperative staff should be done to improve on the services offered to their clients. These are 78.6%, 78% and 61.8% or Iyego, Kiriti and Kanyenya-ini cooperatives. 21.4%, 21.7% and 35.3% of staff felt that more members of staff should be employed probably to avoid overworking the available members. Only few members of staff 9.5%, 0% and 2.9% of Iyego, Kiriti and Kanyenya-ini respectively said that training of the available members of staff would improve the performance.

The study sought to how communication affected members of the cooperatives (farmers) in their production line. Table 4.14 explains how communication should be improved between the Cooperative Societies and the members (farmers). In addition table 4.14 also explains how farmers felt that communication should be improved by the Coffee Cooperatives' management.

Table 4.14 Communication to Farmers

		Iyego		Kiriti		Kanyenya-ini	
		Frequency	%	Frequency	%	Frequency	%
Communication Improvement	Regular meetings	80	40.2	33	42.3	15	53.6
	Sending Mails	57	28.6	25	32.1	7	25
	Announcement at Social places	62	31.2	20	25.6	6	21.4
Total		199	100	78	100	28	100

Table 4.14 indicates how farmers would like to be communicated to by their respective coffee cooperatives. 80(40.2%), 33(42.3.%) and 15(53%) of the farmers of Iyego, Kiriti and Kanyenya-ini said that regular meetings are importance to pass any information since it will enable for further interaction. 57(28.6%), 25(32.1%) and 7(25%) respectively said sending mails to the farmers is important for not everybody may be available for the meetings. 62(31.2%), 20(25.6%) and 6(21.4%) from Iyego, Kiriti and Kanyenya-ini cooperatives said that announcements should b e done at social places.

This shows majority of farmers wish to be attending regular meetings with their cooperatives management. This will ensure interactive discussions and most of the issues will be sorted out in such meetings. However, others felt that they may not have time for the meetings hence, announcements should be made in social places as well as posting correspondence to their mail addresses.

Table 4.15 Education Level of Cooperative staff

		Iyego		Kiriti		Kanyenya-ini	
		Frequency	%	Frequency	%	Frequency	%
Highest education level	Primary	0	0	2	13.3	0	0
	Secondary	8	14.3	7	46.7	2	16.7
	Certificate	3	14.3	5	33.3	8	66.6
	Diploma	10	47.6	1	6.7	2	16.7
	Degree	0	0	0	0	0	0

The study then sought to know the level of competence of the management staff and the time they have spend in their current positions.

Table 4.15 shows that some of the cooperative staff members, 2 (13.3%) from Kiriti are primary school leavers while 3(14.3%), 7(46.7%) and 2(16.7%) of Iyego, Kiriti and Kanyenya-ini coffee cooperatives are secondary school leavers. The table also shows that 3(14.3%), 5(33.3%) and 8(66.6%) are certificate holders while 10(47.6%, 1(6.7%) and 2(16.7%) from Iyego, Kiriti and Kanyenya-ini respectively are diploma holders.

Table 4.15 shows that most of the cooperative staff members are generally secondary school leavers and certificate holders with few diploma holders. This shows that the staffs lack higher education since none holds a degree level education. It is in most cases assumed that the more the knowledge, the better service delivery and effectiveness of an employee. Lacking special skills or lack of an expert in this line would in most cases affect cooperatives performance.

Table 4.16 Working duration in the Current Position

		Iyego		Kiriti		Kanyenya-ini	
		Frequency	%	Frequency	%	Frequency	%
Length of time in the current position	1-4 years	3	14.3	18	21.7	0	0
	5-10 years	3	14.3	65	78.3	7	58.3
	11-14 years	1	4.8	0	0	5	41.7
	15 years and above	14	66.7	0	0	1	2.9

Table 4.16 shows that 3(14.3%), 18(21.7%) in Iyego and Kiriti respectively shows that the staff worked in the same position for 1 – 4 years. Those who worked between 5 years and 10 years are 3(14.3%) in Iyego, 65(78.3%) in Kiriti and 7(58.3%) in Kanyenya-ini. There are also those who have stayed between 11 years and 14 years. These are 1(4.8%) in Iyego, and 4(41.7)% in Kanyenyaini. Finally, the Table shows that those who have worked in the same positions for 15 years and above are 14(66.7%) for Iyego and 1(2.9%) for Kanyenya-ini.

Table 4.16 clearly shows that majority of staff have stayed in their current positions between five years and ten years. This shows that majority may be feeling redundant in their work hence lack of performance. This was proved in Table 4.13 where majority of farmers felt that the services provided by the cooperative staff was not satisfactory. This redundancy may be experienced due to lack of promotions or better remuneration as shown in Table 4.13.

Table 4.17 Cooperative Staff Remuneration

		Iyego		Kiriti		Kanyenya-ini	
		Frequency	%	Frequency	%	Frequency	%
Monthly Earnings	Less thanKsh.10,000	2	9.5	1	6.67	1	8.3
	Kshs.10,001-20000	14	66.7	12	80	8	66.7
	Kshs.20,001-30000	3	14.3	1	6.67	2	16.7
	Above 30,000	2	9.5	1	6.67	1	8.3
Does Salary commensurate work done in the office?	Yes	11	52.4	0	0	0	0
	No	10	47.6	15	100	12	100
What should be done to satisfy this requirement	Employ more people	0	0	1	6.7	0	0
	Salary increment	8	80%	14	9.3	11	91.7
	All of the above	2	20%	0	0	1	8.3

Table 4.17 shows that 2(9.5%) from Iyego, 1(6.67%) from Kiriti and 1(8.3%) from Kanyenya-ini cooperative societies earn less than Ksh. 10,000.00. It further shows that 14(66.7%) from Iyego, 12(80%) from Kiriti and 8(66.7%) from Kanyenya-ini get between Kshs.10,001.00 and Ksh. 20,000.00. 3(14.3%) from Iyego, 1(6.67%) from Kiriti and 2(16.7%) from Kanyenya-ini earn between Kshs.20,001.00 to 30,000.00. While 2(9.5%) from Iyego, 1(6.67%) from Kiriti and 1(8.3%) from Kanyenya-ini earn above Kshs.30,000.00.

The table shows that majority of the staff members feel that the income they get is not equal to work done in their cooperative societies. This is revealed by the 100% responses by the Kiriti and Kanyenya-ini Cooperative Societies' staff. However, 11(52.4%) of Iyego cooperative society staff seemed satisfied with their salaries.

Members of staff from Kiriti Cooperative Society, who said that their salaries do not commensurate the work done suggested that they employ more people 1(6.7%) while majority especially from Iyego Cooperative Society 8(80%) and Kanyenya-ini 11(91.7%)

suggested that their salaries should be increased. However, quite a few staff said that both increase of salaries and employment of more staff should be put in place. These were Iyego Cooperative Society with 2(20%) and Kanyenya-ini Cooperative Society with 1(8.3%). Therefore, since majority seem not to be satisfied with the salaries received, this would affect their job as far as performance is concerned.

CHAPTER FIVE
SUMMARY OF FINDINGS, DISCUSSIONS, CONCLUSIONS AND
RECOMMEDATIONS

5.1 Introduction

This chapter presents the summary of the findings of the study, discussions, conclusions and recommendations arrived at. The study assessed the various factors influencing performance of coffee cooperatives in Kangema constituency, Muranga County, Kenya. These factors were level of farmers' income, land demarcation or fragmentation, training of farmers and management skills of the cooperative staff.

5.2 Summary of Findings

This section summarized the findings of the study. This would help readers understand the results in a simpler and summarized way.

5.2.1 Level of Farmers Income and Performance of Coffee Cooperatives

The study found that majority of farmers in Kangema constituency are fulltime farmers but the amount they earn from farming of coffee is not much with most of the coffee farmers' income falling at middle of the range given. It was revealed that few are employed and others are business men and women.

The fact that some of the farmers are businessmen and others are employed proves that they cannot rely on coffee farming alone. This is probably because of the depressed income experienced by farmers in the coffee growing (Waller, Bigger & Hillocks 2007). If the depression of coffee income extends further, this would result to paralysis of the available coffee cooperatives in the market.

Majority of farmers stated that their source of income was from farming. This was proved by 108(54.4%), 56(71.8%) and 21(75%) from Iyego, Kiriti and Kanyenyaini respectively. However, Kiriti farmers Cooperative Society seemed to produce a lot of coffee than the rest of the cooperatives in the 200kgs -499.9kgs category (Table 4.8). This was probably resulted by the farmers level of income which was higher 12(42.8%) in the Kshs.20,001-Kshs.30,000 category for these farmers. This showed how income influenced performance of these cooperatives.

5.2.2 Land Demarcation/Fragmentation and Performance of Coffee Cooperatives

The study found that the coffee farmers had inadequate land at their disposal for farming purposes. Table 4.10 shows that majority of farmers own between 1 acre to 4.9 acres which can only fit small scale farming. Table 4.11 however indicated that of the farmers said that they require more land for farming. Kanyenya-ini cooperative society happened to have majority of farmers in the category of 1acre – 4.9 acres 16(57%) whose majority also produced 21(75%) in the 200kgs-499.9kgs of coffee. The rest of the cooperatives produced less in this category and the categories above this.

It was noted that fragmentation/demarcation of land influenced performance of the coffee cooperatives. This was because, the bigger the land the higher the coffee production.

5.2.3 Training of Farmers and Performance of Coffee Cooperative

The study found out that training of farmers has helped a lot in the increasing of the coffee yield. However, the study shows that training of the farmers is lacking (Table 4.12) in this region and only very few farmers have managed to be trained on issues that pertains coffee farming. Quite a number of farmers said that they have no idea that the cooperative societies train their members while others said that they are aware of the training but they have never gotten a chance to be trained. Training influenced performance as indicated in Table 1.12 which indicated that out of the people who attended training sessions 20(100%) from Iyego, 5(100%) from Kiriti and 2(100) from Kanyenya-ini found the sessions helpful as far as coffee farming is concerned.

5.2.4 Management Skills of Cooperatives Staff performance Coffee Cooperatives

The study sought to determine how management skills of cooperative staff influence performance. It was evident that management skills of staff was not adequate as majority of farmers said that services offered at the cooperatives were not satisfactory as reflected on Table 4.13. It was also evident that the workers level of education of majority cooperative staff was Secondary school and certificate levels with few of them having a diploma. This proves that the majority of workers may not be having proper skills and training on the work they do in their respective cooperatives. Management skills therefore influenced performance of the coffee cooperatives.

5.3 Discussion of the Results

This section discussed the results found in the study. This would help readers and future researchers understand the results in a simpler way.

5.3.1 Level of Farmers Income and Performance of Coffee Cooperatives

The study revealed that income levels of individuals and household farmers influenced the performance of coffee cooperatives in Kangema Constituency. The more income a farmer earns gives him a possibility of progress and being able to be independent, as he source for farm inputs like fertilizers, labor and even the ability to secure a loan to buy farm machinery. This is therefore evident that farmers' level of income is a factor that influences the performance of the cooperative societies since farmers are a main input to these coffee cooperatives. This is proved by Heneman, 2002 who says that if ones financial statements shows large figures, then the performance of business should be doing fine and vice versa.

This concurs with similar studies for example the opinion that Market forces in coffee has caused depressed prices resulting from excess costs on production, cost of input such as transport, machinery, labor and materials (Waller, Bigger & Hillocks 2007). The decreasing profit margins resulting from these opposing trends have made farmers especially smallholder farmers who rely on coffee as their cash crop to produce less coffee. In addition to (Chuhan-Pole & Angwafo, 2011), that is The same study shows that since reform, coffee farmers have increased their food consumption and their overall household expenditures leading to improved food security and a general improvement of the economic conditions of the coffee farmers and cooperatives (Chuhan-Pole & Angwafo, 2011).

5.3.2 Land Demarcation/Fragmentation and Performance of Coffee Cooperatives

The study found that the coffee farmers had inadequate land at their disposal for farming purposes. This was proved by the fact that most of the farmers agreed that they needed more land as shown in Table 4.8. The findings from this study show that land is lacking among the farmers hence the need to review land ownership methodology by the government.

This concurs with (Song'onny, 2008), that some farmers are therefore confined to their meager family holdings, starved for land while others are burdened with excess land that cannot be put in profitable use. This also concurs with the United Nations Conference on Trade and Development (2003) that says that there are a lot of 'dead' lands that lack clear

and legally recognized land tenure rights which can make them to be utilized by the needy farmers.

Land fragmentation, more so through inheritance has led to people having small pieces of land. This has also contributed to farmers having to divert their farming habits from cash crop farming to subsistence farming. This is because the piece of land can only sustain the subsistence crops for their daily use. This concurs with Chickuwa, 2013 who says that lack of land has caused farmers to pull out coffee plantations to deal with other types of farming.

It is therefore evident that land demarcation and fragmentation is a factor influencing the performance of the cooperatives having an effect on the size of farm for coffee and the decisions on the long term use of the farm land.

5.3.3 Training of Farmers and Performance of Coffee Cooperative

The research found that training of the farmers is lacking among the farmers from the respective cooperatives with interestingly some farmers not aware of the existence of the available training. Those who were trained felt that it was worthwhile and helped them in their coffee production. Training is therefore a core factor that influences performance of coffee cooperatives from the study findings.

This is supported by DuBrin, 2009, who says that training and development deal with systematic approaches to improve employee skills and performance. Training is any procedure intended to foster and enhance learning among employees and particularly directed at acquiring job skills. Training can develop both hard skills (technical, scientific, and numerical) and soft skills (interpersonal skills and attitudes).

This further supports Wang and King(2009) who says that training and educating worker makes them better performers in their duties and vice versa. Thurston et al (2003) further says that Guatemalan National Coffee Association Company in Uganda operettas local offices to enable local farmers access technical training through seminars and workshops.

If training of farmers can be given priority, the cooperatives concerned, the results of output would be better since farmers would be able to tackle any problem that may challenge them

in the production of coffee. This would improve the sustainability of the cooperatives since there would be marketing for coffee all seasons due to high productivity achieved by farmers

5.3.4 Management Skills of Cooperatives Staff performance Coffee Cooperatives

It was evident that the management skills of the workers were inadequate as most of the workers level of education was majorly secondary school and certificate level with a few of them having diploma level of education. This was further shown by lack of good communication mechanisms as well as staff lacking proper services to the farmers.

Majority of staff seem not to have the required skills to be working in these cooperatives hence the poor services. This is shown in Table 4.10 which indicates that majority of farmers are not satisfied with the timeliness of services as well as communication by the cooperative staff. This is supported by Ellis 2005 who says that managers should be able to deal with the complexity and speed of change in the organization. Services appeared to be slow at the cooperatives as suggested by farmers.

Stainsby, 2007 further says that ability to communicate or to exchange information is important and it influences performance.

Management skills will also help the cooperatives staff be able to handle all risks to sustain the production of coffee by farmers (Aizenman et al 2005).

5.4 Conclusions

From the study the researcher established that for the coffee cooperative to perform at its best there is need to bring factors such as enough income for the farmers. Farmers require to be motivated by providing them with proper income as well as provision of credit facilities that will help them increase their coffee yield. Payments should be done in time. This will make farmers not to look for other sources of income which would lead them to neglect coffee.

Training to the staff and the farmers is important. This will ensure that farmers as well as cooperative staff are up to date with the changing environment and will be able to handle upcoming risks and challenges as far as coffee growing is concerned.

Clear land policy should be enforced by the agricultural authorities and the land commissions to realize performance. This will ensure that no idle lands while people are starving for lands in some areas.

In addition there is need to have the right management team who have the skills and experience to manage this cooperatives. Proper education and training is important and should be encouraged at every level in the coffee cooperatives.

5.5 Recommendations

It is evident from the research that the above factors affect performance of coffee cooperatives. The study therefore sought to give recommendations in order to help coffee cooperatives succeed by finding proper strategies to address the factors that influence performance.

At the onset, the government should ensure that coffee prices are not in any way destabilized by anything. This will increase farmers confidence in coffee growing hence sustaining the available coffee cooperatives. The government should also provide farmers with cheap credit facilities and other farm inputs to enable them be at their best as far as coffee farming is concerned. Finally, the government should also ensure that coffee farmers are motivated through payment of bonuses like the tea farmers as well as paying their dues in time. It should also introduce local processing of coffee to avoid locals buying imported coffee at exorbitant prices.

The government in collaboration with National Land Commission should put in place proper land policies that will ensure that no 'dead' or even idle lands. The idle land should be disposed to interested coffee farmers at an affordable price to ensure that every farmer has a chance to buy it. At the same time, the government should give incentives to coffee farmers to encourage them into coffee farming.

Training of farmers should be given priority by the coffee cooperatives. The study shows that those farmers that have been trained found the training worthwhile and helpful as far as coffee production is concerned. Training will open more farmers up and they will recognize the importance of coffee growing. Training should also be provided by the government and NGOs and should be inclusive of all members in order to empower everybody. This will

make workers and other parties concerned responsible and accountable in every decision made in their endeavors. The government on the other hand, should continue sensitizing the farmers of the importance of joining cooperatives through seminars, workshops and other forums.

Proper education and experience is required for any manager to perform his duties properly. Cooperatives with the help of government should be able to sponsor their staff to colleges to further their education. This will help the cooperative staff specialize in areas that one does best hence good performance. This will also help them deal with any challenge that may come their way. They will also be able to adapt the changing technological environment. Proper management skills will foster transparency, trust and inclusive decision making among members. This can be done through provision of proper communication channels.

5.6 Suggestion for Further study

The scope of this study was limited due to time constraints. Nevertheless, the study was successful in finding out the factors influencing performance of Coffee Cooperatives in Kangema Constituency. The following areas were suggested for future research.

Given the different situations of other coffee growing parts in the country, similar research should be done in other counties in order to generalize conclusion.

Similar research should also be done too to other farm related cooperatives for example, dairy cooperatives, tea farming cooperatives and others to compare the performance. This would bring fair competition hence benefiting the farmers as well as sustaining the available cooperatives.

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APPENDICES

APPENDIX I

LETTER OF TRANSMITTAL OF DATA COLLECTION INSTRUMENTS

Caroline Nyambura Kamau
C/o Dept. of Extra Mural Centre
P. O. Box 30197 – 00100
NAIROBI

Date: 30th April 2014

Dear Sir/Madam,

SUBJECT: INTRODUCTION LETTER

I am Caroline Kamau a student at the University of Nairobi undertaking a course in Master of Arts in Project Planning and Management. As a requirement in the course, one is required to do a project on a topic of interest. I have therefore decided to do a project on “Factors influencing performance of coffee cooperatives in Kenya: a case of Kangema Constituency”. The purpose of this letter is to request you to provide me with relevant information regarding this project. I wish to clarify to you that any information provided will be taken in confidence and will be for the purposes of this research only. It will not be divulged or availed to unauthorized persons.

Your cooperation will be highly appreciated and thank you in advance.

Caroline Kamau

0775193189

APPENDIX II

LETTER OF INTRODUCTION FROM AREA MEMBER OF PARLIAMENT



REPUBLIC OF KENYA
PARLIAMENT

Hon. Tiras. N. Ngahu, MP.
Kangema Constituency

Parliament Buildings
Tel: +254 20 2221 291
Fax: +254 20 2245 473
P. O. Box 41842-00100 Nairobi, Kenya

Continental House 3rd Floor, Room 302
Mobile: 0727 724 340
P. O. Box 22 10202 Kangema
Email: kangema@parliament.go.ke

TO THE CHAIRMAN.

Dear Sir;

RE: INTRODUCTION OF CAROLINE NYAMBURA TO YOUR CO-OPERATIVE.

The above mentioned is a constituent of Kangema who is pursuing Masters of Arts in project management at the university of Nairobi. She has undertaken to do her project in coffee cooperatives (factors affecting performance of coffee co-operatives in Kenya) she has chosen Kangema constituency as her case study.

Being a supporter of education and information gathering would encourage the cooperatives invites as many researchers in their production and marketing chains.

This research might be the next game changer in assisting our constituents economically; it will also help the management of the cooperative in realizing the gaps that needs be filled for effective and maximum productivity as well our sister in her thesis.

I would seek for your cooperation and provide her with every necessary information which will lead to a successful research.

Yours sincerely,

TIRAS N NGAHU, MP
KANGEMA CONSTITUENCY.



APPENDIX III
RESEARCH PERMIT



**NATIONAL COMMISSION FOR SCIENCE,
TECHNOLOGY AND INNOVATION**

Telephone: +254-20-2213471,
2241349, 310571, 2219420
Fax: +254 20-318245, 318249
Email: secretary@nacosti.go.ke
Website: www.nacosti.go.ke
When replying please quote

9th Floor, Utalii House
Uhuru Highway
P.O. Box 30623-00100
NAIROBI-KENYA

Ref: No.

Date:

NACOSTI/P/14/4422/2693

15th August, 2014

Kamau Caroline Nyambura
University of Nairobi
P.O.Box 30197-00100
NAIROBI.

RE: RESEARCH AUTHORIZATION

Following your application for authority to carry out research on "*Factors influencing performance of coffee cooperatives in Kangema Constituency of Murang'a County, Kenya.*" I am pleased to inform you that you have been authorized to undertake research in **Murang'a County** for a period ending **30th September, 2014.**

You are advised to report to **the County Commissioner and the County Director of Education, Murang'a County** before embarking on the research project.

On completion of the research, you are expected to submit **two hard copies and one soft copy in pdf** of the research report/thesis to our office.


DR. S. K. LANGAT, OGW
FOR: SECRETARY/CEO

Copy to:

The County Commissioner
The County Director of Education
Murang'a County.

APPENDIX IV

QUESTIONNAIRE FOR MEMBERS OF COOPERATIVE SOCIETY (FARMERS)

This questionnaire is designed to collect data from all coffee cooperatives in Kangema Constituency to establish the “*Factors Influencing Performance of Coffee Cooperatives: A Case of Kangema Constituency, in Murang’a County, Kenya*”. The data shall be used for academic purposes only and will be treated with strict confidence. Your participation in facilitating the study is highly appreciated. All information in this questionnaire will remain absolutely confidential and will be seen only by academic researchers involved in this study.

1. Kindly indicate the name of your coffee cooperative society by ticking appropriately

- a. Iyego Farmers Cooperative Society ()
- b. Kiriti Farmers Cooperative Society ()
- c. Kanyenya-ini Farmers Cooperative Society ()

2. Kindly indicate your sex

- a. Female ()
- b. Male ()

3. Kindly indicate your age bracket by ticking the appropriate group

Item	Tick
Less than 16 years	
16 – 30 years	
31 – 45 years	
45 – 60 years	
61 and above	

4. Kindly indicate the number of kilograms of coffee you produce per year

Item	Tick
1kgs – 199.9 kgs	
200kgs – 499.9kgs	
500kgs – 799.9 kgs	
800kgs – 999.9kgs	
1000 and above	

Income Level

5. Kindly indicate your primary source of income

Item	Tick
Farming	
Businessman	
Employed	

6. Kindly indicate your monthly earnings from all sources by ticking the appropriate group

Item	Tick
Less than Ksh. 10, 000/-	
Kshs. 10,001/- to 20,000/-	
Kshs. 20, 001/- to 30,000/-	
Kshs. 30,001/- to 40,000/-	
Above Ksh. 40,000/-	

Land Demarcation/Fragmentation

7. Kindly indicate acres of land that you own by ticking the appropriate group.

Item	Tick
Less than 1 acre	
1 acre to 4.9 acres	
5 acres to 9.9 acres	
10 acres to 14.9 acres	
Above 15 acres	

8. In your own opinion, would want to have more land for farming?

- a) Yes
b) No

9. If yes in 10 above above, what could be the reason?

Item	Tick
To plant more coffee trees to increase coffee yeild	
To be able to accommodate other types of farming	

Training of farmers (Kindly tick Appropriately)

10. Does your cooperative offer training sessions for their members?

- a. Yes ()
b. No ()
c. No idea ()

11. If yes in 12 above, how many trainings have you attended?

Item	Tick
None	
1-5	
6 -10	
Above 10	

12. Have the skills gained through trainings been helpful with regard to coffee farming?
 a. Yes ()
 b. No ()

Management Skills (Kindly tick Appropriately)

13. Are the services offered at the cooperative officers satisfactory in terms of timeliness?
 a. Yes ()
 b. No ()
 c. Sometimes ()
14. If no or sometimes in 13 above, what should be done to improve the services?

Item	Tick
Employ more staff	
Train the available staff	
Increase on their salaries to raise their morale	

15. What should be done to improve communication to the farmers?

Item	Tick
Calling for regular meetings	
Sending letters to members	
Through announcements at place of meetings eg. Churches and other social places	
All of the above	

Thank you for your participation.

APPENDIX V

QUESTIONNAIRE FOR MEMBERS OF COOPERATIVE SOCIETIES' STAFF

This questionnaire is designed to collect data from all coffee cooperatives in Kangema Constituency to establish the “*Factors Influencing Performance of Coffee Cooperatives: A Case of Kangema Constituency, in Murang’a County, Kenya*”. The data shall be used for academic purposes only and will be treated with strict confidence. Your participation in facilitating the study is highly appreciated. All information in this questionnaire will remain absolutely confidential and will be seen only by academic researchers involved in this study.

General Information (Tick appropriately)

1. Kindly indicate the name of your coffee cooperative society by ticking appropriately

- a. Iyego Farmers Cooperative Society ()
- b. Kiriti Farmers cooperative Society ()
- c. Kanyenya-ini Farmers Cooperative Society ()

2. Kindly indicate your sex

- a. Female ()
- b. Male ()

3. Kindly indicate your age bracket by ticking the appropriate group

Item	Tick
Less than 16 years	
16 – 30 years	
31 – 45 years	
46 – 60 years	
Above 60 years	

4. How long have you worked in this cooperative society? Indicate by ticking.

Item	Tick
1 – 5 years	
6 – 10 years	
11– 15 years	
16-20 years	
21 years and above	

Level of Income (Tick appropriately)

5. Kindly indicate your monthly earnings by ticking the appropriate group

Item	Tick

Less than Ksh. 10, 000/-	
Kshs. 10,001/- to 20,000/-	
Kshs. 20,001/- to 30,000/-	
Kshs. 30,001/- to 40,000/-	
Above Ksh. 40,000/-	

6. Is the salary paid commensurate the kind of work done in your cooperative society?
- a. Yes ()
- b. No ()

7. If no in 6 above, kindly indicate what should be done to satisfy your requirements

Item	Tick
Employ more people	
Salary increment	
All of the above	

Management Skills (Tick appropriately)

8. What is the highest level of education attained?

Item	Tick
Primary level	
Secondary level	
Certificate level	
Diploma level	
Degree level and above	

9. How long have you been in current job position?

Item	Tick
1-4 years	
5-10 years	
11-14 years	
15 years and above	

Thank you for your participation.

APPENDIX VI

KREJCIE & MORGAN TABLE FOR DETERMINING SAMPLE SIZE

Population size (<i>N</i>)	Sample size (<i>n</i>)	Population size (<i>N</i>)	Sample size (<i>n</i>)	Population size (<i>N</i>)	Sample size (<i>n</i>)	Population size (<i>N</i>)	Sample size (<i>n</i>)
10	10	150	108	460	210	2,200	327
15	14	160	113	480	214	2,400	331
20	19	170	118	500	217	2,600	335
25	24	180	123	550	226	2,800	338
30	28	190	127	600	234	3,000	341
35	32	200	132	650	242	3,500	346
40	36	210	136	700	248	4,000	351
45	40	220	140	750	254	4,500	354
50	44	230	144	800	260	5,000	357
55	48	240	148	850	265	6,000	361
60	52	250	152	900	269	7,000	364
65	56	260	155	950	274	8,000	367
70	59	270	159	1,000	278	9,000	368
75	63	280	162	1,100	285	10,000	370
80	66	290	165	1,200	291	15,000	375
85	70	300	169	1,300	297	20,000	377
90	73	320	175	1,400	302	30,000	379
95	76	340	181	1,500	306	40,000	380
100	80	360	186	1,600	310	50,000	381
110	86	380	191	1,700	313	75,000	382
120	92	400	196	1,800	317	100,000	384
130	97	420	201	1,900	320		
140	103	440	205	2,000	322		

Key

N is population size

S is sample size