AN ASSESSMENT OF LEADERSHIP COMPETENCY IN PRIMARY MULTIPURPOSE COOPERATIVES OF AMBO DISTRICT, WEST SHOWA ZONE OF OROMIA REGION, ETHIOPIA

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ABSTRACT

It is believed that above all the success of cooperative societies depends on the quality of leadership competence dedicated and vibrant leader they possess. It is undisputed fact that primary multipurpose cooperatives are meager means and thus mostly and are inefficient. Hence this study is initiated to identify the cooperative leadership competencies to serve their members by analyzing the determinants of cooperative leadership competence level. Eight primary multipurpose cooperatives were selected from a total of 31 multipurpose cooperatives in Ambo Woreda (district). Eight boards of directors as leaders from each selected cooperatives (8x8=64), and 15 members from each selected cooperatives (15x8=120) were selected as respondents. Both qualitative and quantitative approaches were adopted. Primary data was collected using semi-structured interview schedule among leaders and members; checklists for key informant interview and FGD. Descriptive statistics and ordered logit model were used to analyze data collected. Leaders of selected cooperatives have response to five dimensions of leadership competency. Majority of leaders are at competent level as reported by both leaders and members by considering various core competencies of leadership. The crosstab analysis revealed that there is relationship between demographic variables, leadership qualities, and leadership skills. Ordered logit model result shows that education level and, knowledge and ability have positive significant influence at 1% level, analytical thinking, human relation skill, conceptual skill and personal traits have positive significant influence and communication skill has negative significant influence at 5% level, leadership experience has positive influence, and family size has negative influence as the leadership competency level at 10% level. As for leadership competency level majority of the cooperative leaders are at competent level, followed by novice level.

Key words: *Competency Level, Cooperative Leaders, Leadership Competence, Leadership Skills*

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INTRODUCTION

Leadership Competency

Leadership competencies are leadership skills and behaviors that contribute to superior performance. By using a competency-based approach to leadership, organizations can better identify and develop their next generation of leaders. Essential leadership competencies and global competencies have been defined by researchers. However, future business trends and strategy should drive the development of new leadership competencies. While some leadership competencies are essential to all firms, an organization should also define what leadership attributes are distinctive to the particular organization to create competitive advantage. A competence in general can be understood as the ability of an individual to activate, use and connect the acquired knowledge in the complex, diverse and unpredictable situations (Svetlik, 2005).

Pernick (2001) identified three ways in which organizations determine critical leadership competencies: (1) use generic leadership competencies found in theory, (2) build their own competencies, or (3) derive competencies from the organization's mission statement and core values. As a result of organizational differences, such as size and structure, and the different methods of identifying leadership competencies, there is no universal set of leadership competencies appropriate for all organizations. An acceptable definition of leadership might be 'influencing, motivating, and inspiring others through direct and indirect means to accomplish organizational objectives.' Defining leadership is an important first step toward establishing how it should be conducted within an organization. However, a simple definition is insufficient for describing the nature, boundaries, contexts, and desirable manifestations of leadership. Enter the evolution of competencies.

Based on Herringer's (2002) description of a competence assessment, competence can be defined as the ability of an individual to perform a task using his/her knowledge, education, skills, and experience. Competencies, especially when used in competence assessments, should relate to the specific tasks required to perform successfully in a given position. The identification of key competencies provides for individual and organizational growth, and helps the organization meet future demands (Pickett, 1998). Pernick (2001) identified three ways in which organizations determine critical leadership competencies: Use generic leadership competencies found in theory, build their own competencies, and derive competencies from the organization's mission statement and core values. As a result of organizational differences, such as size and structure, and the different methods of identifying leadership competencies, there is no universal set of leadership competencies appropriate for all organizations. Leadership competencies are leadership skills and behaviors that contribute to superior performance. By

using a competency-based approach to leadership, organizations can better identify and develop their next generation of leaders. Essential leadership competencies and global competencies have been defined by researchers.

However, future business trends and strategy should drive the development of new leadership competencies. While some leadership competencies are essential to all firms, an organization should also define what leadership attributes are distinctive to the particular organization to create competitive advantage. Changes in organizations are more and more common. They appear at faster pace and employees are expected to be even more adaptable. Leaders play an important role in setting an example for all those values, behaviors and considerations expected from employees. Leaders have to achieve that changes in an organization are accepted and implemented in a way resulting not only in better job performance but also in general understanding and satisfaction of all.

Therefore, it is reasonable to set the expectations of key employees– what they should achieve and how they should behave in order to implement successful changes. In other words, which are the important leadership competencies for successful change management? It is necessary to distinguish between leadership competencies in profit organizations and public (as well as not-for-profit) organizations. Nature of activity, context, orientation of work and the budget, to name only a few areas, cause certain distinctions in leadership competencies between these two groups. There is a lack of studies comparing leadership factors and skills relevant to profit, public, and not-for-profit organizations.

According to Bennis 1987 (cited in Thach et al., 2007), there are a few leadership competencies that have been proven time and again as mandatory for effective leadership. These include the competency clusters of vision and goal-setting, interpersonal skills, self-knowledge and technical competence regarding the specifics of the business in which the leader works. In addition, commonly referenced competencies include: integrity/honesty, communication, technical competence, diversity consciousness, developing others, results-orientation, change management, interpersonal skills, problem-solving, decision making, political savvy, strategic/visionary thinking, customer focus, business skills, team leadership, influence skills, conflict management, more recently emotional intelligence, social and environmental responsibility, depending on the culture of the organization even humor and innovation Trinka, 2004; (cited in Thach et al., 2007). There appear to be minor differences in the not-for-profit and profit leadership competency models. Not-for-profit organizations tend to center around new competencies such as governance effectiveness, boardroom contribution, and service to community Chait, Ryan and Taylor, 2004; (cited in Thach et al., 2007). On the other hand, profit organizations tend to emphasize financial responsibility and accountability more than non-profit organizations. Public administration organizations tend to emphasize political savvy more, as well as physical health/endurance and building coalitions Horey and Fallesen, 2003, (cited in Thach et al., 2007). Despite diverse definitions and different understanding,

competencies can be understood as cognitive, functional and social abilities and skills, including all individual resources one can use for performing diverse tasks in various areas, gaining required knowledge and achieving good results. Every competency is based on a combination of mutually linked cognitive and practical skills, knowledge, motivation, orientation values, beliefs, emotions, and other social and behavioral components, applicable as a whole in an efficient activity (Svetlik, 2005). With this background the present paper attempts to study leadership competencies of cooperative leaders in Ambo District.

PROBLEM STATEMENT

It is believed that the characteristics of modern cooperative businesses have mostly been developed in the past 160 years. People form cooperatives to do something better than they could do individually or through a non-cooperative form of business. Most employers, including those responsible for hiring Leadership competencies in cooperative organization, will agree that leadership skills are desirable in employees. Although an abundance of information about leadership exists, there is still a lack of consensus surrounding specific aspects of leadership competence. This is especially true within cooperatives in Ethiopia. Despite a commitment by the Leadership competencies in cooperatives (LCC) to a diverse workforce, including the leaders of the organization, there are still populations that are underrepresented in leadership positions within the cooperatives system. Mayer (2001) reported a discrepancy between the number of qualified women within the Cooperatives and the number of women in the director positions.

Performance evaluation must combine various types of analysis that would provide the basis to analyze the functioning of the system, explain efficiencies, and assess the potential for and means of improving economic efficiency or other objectives. For achieving economic efficiency, a cooperative must plan, organize, motivate and control its operation (Knapp, 2000). As any other enterprises do, cooperatives need to also periodically control and evaluate their competency activities. Empirical evidence exists that documents the lack of diversity in leadership positions, within the cooperatives. There is also research that examines the relationship between demographics and leadership styles and supervisory/management competencies of mid-level leaders within cooperatives (Cobb, 1989; Haynes, 1997; Lowery, 1996; Shearon, 1969).

But the amount of research focusing on the influence of demographics, leadership qualities and skills of leaders on leadership competencies within the organization is arguably thin. Furthermore, in-depth leadership skill development training programs have been recommended for professional staff in cooperatives (Holder, 1990). However, the organization has made no attempt to define specific leadership competencies and skills; it is seeking in its leaders, thus making the inclusion of such competencies in training programs difficult. Several questions thus arise. What are the dimensions of leadership competencies practiced in cooperatives?

What specific leadership skills does the primary multipurpose of cooperative leaders need to be successful? Which leadership competencies do most leaders within the organization possess? What role do demographic characteristics play in an individual's leadership competence? What are the determinants of leadership competence level?

There is research gap to assess the leadership competence level of cooperative leaders. This study is a comprehensive approach to study the dimensions and level of leadership competencies among cooperative leaders in selected cooperatives of Ambo Woreda.

OBJECTIVES OF THE STUDY

General objectives of the study:

To assess leadership competence among leaders of primary Multi-Purpose Cooperatives of Ambo Woreda, West Showa Zone of Oromia Regional State Ethiopia.

Specific objectives:
- To investigate the dimensions of leadership competency in primary multipurpose cooperatives of Ambo Woreda;
- To assess leadership competency level among leaders of selected multipurpose cooperatives; and
- To analyze the determinants of leadership competencies among cooperative leaders.

REVIEW OF LITERATURE

Dimensions of Leadership Competence

Self-management

Good leaders know their own values, strengths, and limitations and are able to control their emotions and behaviors. They must strive for personal development by engaging in continuous learning and being willing to seek help when needed or admit when they have made a mistake. They should be able to adapt to stressful or dynamic situations and be able to maintain a balance between their work and non-work lives.

Task management

Leaders use task-specific knowledge and experience to guide the group to attaining its goals. Leaders must engage in problem solving, delegation, time and resource management, and

eliminating barriers to performance. Leaders also must strive for results and provide feedback to ensure effective contributions from all constituents1.   .

Leading others

Leaders must maximize the potential of others and motivate them to attain shared goals. They must be able to manage individual and group performance with an understanding of group dynamics and team building. Leaders must actively listen and communicate effectively to persuade others and build consensus and trust. They should understand and be empathic toward individual's emotions and needs and be able to resolve conflicts in a respectful manner.

Innovation

Leaders must be able to think creatively while taking initiative and calculated risks. Effective leaders have a vision beyond the immediate work of the group. This involves exploring and integrating diverse perspectives and recognizing unexpected opportunities. Innovation Dimension Leaders must be able to think creatively while taking initiative and calculated risks. Effective leaders have a vision beyond the immediate work of the group. This involves exploring and integrating diverse perspectives and recognizing unexpected opportunities.

Social responsibility

Leaders must act with integrity, honesty, and justice. They must work in the best interest of others, showing respect and empathy for unique individual and cultural differences. Good leaders create a culture that promotes high ethical standards along with personal, organizational, and civic responsibility. Ethical leaders recognize and conduct themselves in concert with universal moral principles as well as specific values, laws, and ethics relevant to their group or organization.

Studies on Leadership Competencies

Open-minded and flexible in thought and tactics; cultural interest and sensitivity, able to deal with complexity, resilient, resourceful, optimistic and energetic, honesty and integrity, stable personal life, value-added technical or business skills (McCall, M., & Hollenbeck, G. (2002). Determining areas of needed competency and helping employees become proficient in those areas are issues of major concern and challenge for many professional fields and consumers of their services. Over the last decades, establishing competencies has become a widespread practice in many organizations (Bartram, Robertson, & Callinan, 2002; Cavallo & Brienza, 2001; Olsen, Bhattacharya, & Scharf, 2006; Stone, 1997). The effectiveness of an organization depends on its capability to attain and efficiently use existing resources to achieve its goals. Focusing on competencies helps organizations effectively communicate the

responsibilities, knowledge, and skills needed for positions to their employees. It generates highly knowledgeable and proficient employees who are the most valuable resources for an organization. The success of the organization depends greatly on their knowledge and abilities (American Society for Training & Development, 2006).

Traditionally, the development of competencies is based on job responsibilities, but Langdon and Marrelli (2002) argued that it is more significant to generate competencies based on the needed outcomes from the job. Identification of job competencies "through a combination of techniques and models" is widely practiced by organizations (Marrelli, 1998, p. 8). Stone (1997) described competencies as the application of knowledge, technical skills, and personal characteristics that are designed around the abilities individuals and groups need to give effective job performances and use in making human resource decisions.

Professional competencies are essential to perform jobs well, and most organizations expect their employees to use certain professional tools to help their clients. In an effort to precisely define competency, Zemke (1982) interviewed several experts in the profession and concluded that Competency, competencies, competency models, and competency based training are all Humpty Dumpty words meaning only what the definer wants them to mean. The problem comes not from malice, stupidity or marketing avarice, but instead from some basic procedural and philosophical differences among those racing to define and develop the concept and to set the model for the way the rest of us will use competencies in our day-to-day training. Zemke continued by classifying competencies in to three categories: administrative, technical, and personal competencies.

According to Langdon and Whiteside (2004), the general definition of competency includes only skills, knowledge, and attributes. But Bartram, Robertson, and Callinan, (2002) defined competencies as "sets of behaviors that are instrumental in the delivery of desired results or outcomes. Based on this definition, the Great Eight Competencies of work performance were developed to promote effectiveness in 21st century organizations. The Great Eight Competencies are (a) leading and deciding, (b) supporting and cooperating, (c) interacting and presenting, (d) analyzing and interpreting, (e) creating and conceptualizing, (f) adapting and coping, (g) organizing and executing, and (h) enterprising and performing (Bartram et al, 2002).

However, Klein (1996) argued that a competency can also be considered behavioral when it involves only visible behaviors without any judgment, theory, or explanation. Dubois as cited in Teodorescu (2006) defined competency as "those characteristics knowledge, skills, mindsets, thought patterns, and the like that when used whether singularly or in various combinations result in successful performance" (p. 28). McLagan (1997) suggested that competencies can be viewed in six different ways: (a) job tasks, (b) results of work efforts, (c) outputs, (d) knowledge, skills, and attributes, (e) qualities that describe superior performers, and (f) bundles of attributes. With

so many different ideas of what competency stands for, it is critical for organizations to define the right competency for each role to obtain the results they are looking for. Stone and Bieber (1997) reported that "linking individual competencies that lead to superior performance to the strategic directions of the organization will help us anticipate the new knowledge, skills and behaviors needed in the future in order to respond to complex problems faced by our clientele".

Liles and Mustian (2004) confirm this notion that competencies, to be effective, need to be developed to support the mission and goals of the organization. A continuous development of competencies is necessary for professionals to stay in touch with the socioeconomic and technological changes in their fields. Therefore, Mulder (2001) identified the roles of competency in an organization as (a) organizational strategy, (b) personnel management, (c) training and development (T & D), (d) the link between education and labor, (e) professional development, and (f) regional training or economic structure policies. There have been many different results from research groups that have studied competencies in recent years. Competency-based approaches for training and development have been widely used and evidences of achievement have been established in the corporate sector for over two generations (Liles & Mustian, 2004).

According to Gander (2006), existing competency tools do not constantly measure the behavior gap of employees over time. It is important to do so because the requirements or standards are changing with time. Gander (2006) developed a measurement tool called the Outcome Proficiency Indicators Scale (OPIS) that statistically monitors any changes in expertise levels of individuals or groups. Most organizations have a well-defined competency list but usually lack the ability to measure, enhance, and fulfill those competencies (Langdon & Whiteside, 2004). Competencies are traditionally developed based on existing high achieving qualities in the organization, but they may not produce the same outcomes in the future (Gayeski, Golden, Andrade, & Mason, 2007). Therefore, it is vital for any organization to continuously evaluate, identify, and improve their competencies to be successful in the changing environment. Competency development is a highly participatory process, and many competency models have been developed for different professions (Stone, 1997; Stone & Bieber, 1997). In this study, the term 'competency' refers to a combined set of knowledge, skills, and attitudes that facilitates an individual's effective performance of the activities of a given job to the standards expected in that organization.

Empirical Studies in Cooperative Leadership

Qualities of Cooperative Leaders

People will follow the leaders only when they identify their needs and strive towards satisfying it. How long followers follow their leaders depends on the quality of the leaders (Gopalakrisnan, 1980). Cooperative leaders, in spite of the situation in which they operate and the type of

leadership they follow, they have possess certain moral and mental qualities. The essential qualities of cooperative leaders in their order of priority were identified as courage, judgement, sympathy, imagination driver/ capacity to lead and knowledge, (Chandra, nd).

Gopalakrishnan (1980), suggested qualities of good cooperative leaders as, patience, endurance and greatness of mind complete acceptance by followers, domination, inscrutability, drive courage, flexibility and membership character. According to Karthikeyan. M (2008) good cooperative leader consists of the following qualities; character, intelligence, temperament, dedication, courage, broader vision clear understanding, knowledge sympathy, common sense and inscrutability. These essential qualities help them to shoulder the responsibilities of large number of followers and also to work effectively with his fellow being (Befikadu B., 2009). Perusal of available literature it is understood that, there are studies related to leadership competency in general, and few empirical studies on cooperative leadership determinants, leadership skill and leadership style in cooperatives. The present study find the gap on leadership competency among cooperative leaders, and investigation was made to analyze the determinants of leadership competency level among cooperative leaders.
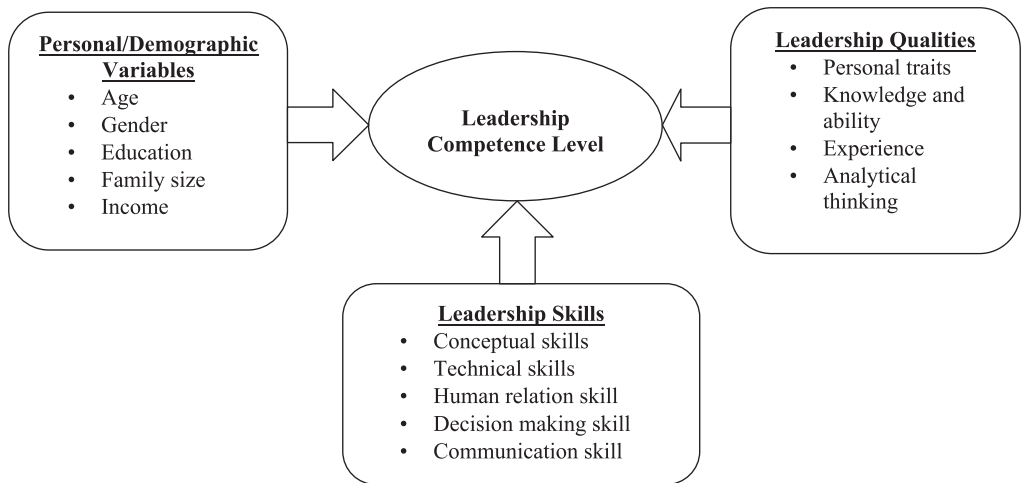
Leadership Competency Model: Conceptual Framework

Behavioral scientists and organizational development professionals seek to improve individual and group work processes through the application of systematic procedures and research-based principles. Job analysis techniques, and to a lesser extent competency modeling, have long been used to establish the requirements of jobs and positions throughout organizations and provided input to selection, training, and management practices. Knowledge's, skills, abilities, other characteristics (KSAOs), tasks and functions, and more recently competencies have become the building blocks of leadership selection and development processes. Competencies have become a more prevalent method of identifying the requirements of supervisory, managerial, and leadership positions, rather than job or task analysis techniques, because they provide a more general description of responsibilities associated across these positions (Briscoe and Hall, 1999). Employees want information about what they are required to do (or confirmation of what they think they are supposed to do) in their jobs or positions. The operative word here is 'do'. They typically do not want to know what they are supposed to 'be'. This simple representation of leadership requirements helps us establish a context for evaluating leadership competencies and frameworks/models.

Those that are stated only as traits, characteristics, or in attribute terms are, in our estimation, less valuable than those that are stated in task, function, and behavioral terms. However, models that address both aspects of leadership may prove to be more valuable to more individuals. The purpose in establishing competencies for leaders should be to better define what functions leaders must perform to make themselves and others in their organizations effective. Many competency definitions include reference to clusters of knowledge's, skills, abilities, and traits

that lead to successful performance (Newsome, Catano, Day, 2003). Yet competency labels are typically expressed in either process or functional terms. This can lead to confusion as to what competencies actually represent for leadership and organizations. Competency frameworks or models should serve as the roadmap to individual and organizational leader success. The value of competencies is in providing specific or at least sample actions and behaviors that demonstrate what leaders' do that makes them successful. Therefore the end goal of all frameworks or models should be to provide measurable actions and behaviors associated with leadership functions. Functions are a step removed from this goal, while KSAOs, traits, and attributes are yet another step removed. Leadership competency modeling has been in vogue for several decades but the methods for developing these models and the content are as varied as the organizations for which they have been developed. Briscoe and Hall (1999) identify four principal methods for developing competencies and Newsome, Catano, and Day (2003) present summaries of competency definitions and the factors affecting their outcomes. Leadership Competency models are developed for a job or a group of jobs using various methods. Marrelli (1998) defined a competency model as "the organization of identified competencies into a conceptual framework that enables the people in an organization to understand, talk about, and apply the competencies . . . an organizing scheme". Competency models are developed because they are powerful decision-making tools and can be used for self-evaluation and self-development. Therefore, a core competency model for a job will assist an organization in hiring the best individual for a particular job (Grigoryev, 2006). The competency model will provide a framework for linking strategies of the organization to individuals and performances.

The International Board of Standards for Training, Performance, and Instruction's (IBSTPI) competency model consists of three important components: domains, competencies, and performance statements that involve four phases of development (Russ-Eft, Bober, de la Teja, Foxon, & Koszalka, 2008). Cochran (2009) developed the Ohio State University Extension Competency Model, which represents a set of core competencies for any job in Extension, now and in the future. It recognizes 14 core competencies: (a) communication, (b) continuous learning, (c) customer service, (d) diversity, (e) flexibility and change, (f) interpersonal relationships, (g) knowledge of Extension, (h) professionalism, (i) resource management, (j) self-direction, (k) teamwork and leadership, (l) technology adoption and application, (m) thinking and problem-solving, and (n) understanding stakeholders and communities. Extension's human resource departments can use performance standards to assess knowledge gaps for planning professional development program. For this study, based on the literature review and consideration of cooperatives context, the researcher developed a conceptual framework to analyze the determinants of leadership competence level among cooperative leaders of selected cooperatives. The conceptual framework is presented in Figure 1.

Source: Sketch by authors based on literature review, 2016

Figure 1 : Conceptual Framework on Determinants of Leadership Competence Level

Variables and Their Operational Definitions

In the course of analyzing determinants of leadership competency level, the main task is to analyze the variables, which are supposed to influence leadership competency level need to be explained. Thus major variables expected to have influence on leadership competence level are listed as follows.

Dependent Variable

In this study the dependent variable is Leadership Competence Level. It can be measured in terms of levels as Novice, Competent and Expert. Leadership competency level as an ordinal variable and the outcome will be in an ordered form. It takes the value 1 if leadership competence level is novice (beginner), it takes the value 2 if leadership competency level is competent (capable) and value 3 otherwise expert (professional / proficient).

Independent Variables

The independent variables are the variables that used to measure the dependent variable (leadership competency level). These variables are demographic factors (age, gender, education, family size and income), leadership qualities (personal trait, knowledge and ability, experience, analytical thinking), leadership skills (conceptual skill, technical skill, human relation skill, decision making skill, administrative skill, and communication skill).

METHODOLOGY

Description of Study Area

Ambo Woreda (district) is one of the nineteen districts of west showa zone. The capital city of district is Ambo about 114 KM_far from Addis Ababa (Finfinnee). Ambo districts total of 35 kebele, 34 of these kebele Rural, the rest one (1) is urban kebele. The total population of the district is estimated to be in 2000 E.C. 110,706 now in 2014. 126,730. The district covers 83598.69 hectare. Of land (835.9869km^2) out of which 35.30% is Dega, 50% WeynaDega & 14.70% is kola. Out of the total land estimated to be 2011 & 2012 is 57220 and 57220 hectares are used for agricultural or farming purpose respectively.

The people of district has administered under 34 peasant association (rural kebeles) and 1(one) urban dwellers of association (Rural urban kebeles) namely meti town with one kebel small town without legal personality of urban status. According to the population census the total population size of Meti town was 1042 in 2012. Due to this, the town, there is a composition of different ethnical groups. One of the basic tasks of Finance and Economic Development Office of Ambo district is the collection, compilation, analysis, synthesis, and dissemination of the districts' data on natural resources and socio-economic issues that could serve as bases for development planning and several other related activities in the district.

Sampling Design and Techniques

Ambo Woreda has 31 Primary Multi-Purpose Cooperatives. Out of those all 8 (eight) Primary Multipurpose Cooperatives were purposively selected for the study. Based on the justification that the sample cooperatives must have leaders with equal composition of board of directors, longevity existence and availability of information regarding the research objectives. The purpose is to have response from leaders and opinion of the members about their leaders' competencies. For the study purpose all eight (8) committee members as leaders from each cooperative (8x8=64), and fifteen (15) members (15x8=120) were randomly selected from each cooperatives, totally 184 respondents were selected for the study.

Type and Sources of Data

Both secondary and primary data on a wide variety of variables are used to meet the objectives of the study. The study requires a large variety of information that was unable to know Leadership Competencies with particular reference to primary multipurpose cooperatives. The source of information to realize this document is used both primary and secondary data was collected. The source of primary data includes: board of directors, members, key informant interview (KII), and focus group discussion (FGD). The sources of secondary data are: office documents, annual work reports, audit reports, minutes of management committee and different journals. The

sources of documents are mainly the primary multipurpose cooperatives and related documents are from Woreda Cooperative Promotion Office.

Methods of Data Collection

Primary data was collected from the respondents (board of directors and members) through semi-structured interview schedule. Apart from this, key informant interview (KII) and Focus Group Discussion (FGI) using check list were also conducted. The secondary data was collected through reports, and written materials.

Methods of Data Analysis

The data generated using semi structured interviews was discussed qualitatively while quantitative ones are analyzed using different statistical techniques- like percentage, frequencies by the help of SPSS (statistical package for social science) version 20. Objective one and two were analyzed by using descriptive statistics; and objective three was analyzed by using ordered logit regression model.

Model Specification

In the econometrics literature, logit and probit models may be used to analyze determinants of a dependent variable which is ordered in nature (Verbeek, 2003). In this study, leadership competency level is the dependent variable which is ordinal. The use of a binary choice variable as the dependent variable may not capture the levels of leadership competency. As Baidu, (1999) pointed out; there is possible loss of information if a binary variable is used as the dependent variable in such cases. This is because, knowledge of whether a leader is competent or not competent may not provide sufficient information about the leader's behavior as leaders have various extent of leadership competency level. The use of ordinal dependent variable is very informative because, severity of the problem such as leadership competency level is likely to determine actions taken to alleviate it. In this study, leadership competency level is considered as an ordinal dependent variable with the outcomes, Novice (beginner), Competent (capable) and Expert (proficient or professional) Following Verbeek, (2003), the general ordered logit model can be specified as;

$$Y_i^* = \beta' X_i + \epsilon_i$$ ……………………………………………….. Equation 1

Where;

Y$_i$ is the underlying unobserved (latent) variable that indexes the level of leadership competency

Xi is a vector of explanatory variables describing demographic, leadership qualities and Leadership skills. β ' are parameters to be estimated and $\in$i is the error term, assumed to follow standard normal distribution. The latent variable exhibits an ordinal scale, which will be observed and coded as discrete extent of level of leadership competency (1=Novice, 2=Competent, 3=Expert), where 1<2<3.

Based on economic theory and previous empirical research on leadership competency, the explanatory variables included in the ordered logit model were personal/demographic variables (age, gender, education, family size and income), leadership qualities (personal traits, knowledge and ability, experience, analytical thinking), variables that measure leadership skill of leaders (conceptual skill, technical skill, human relation skills, decision making skill and, communication skill).

MAJOR FINDINGS

Findings from Dimension of Leadership Competency

- Majority of leaders opined that they are good in work habit in self-management as a dimension of leadership competency; similarly majority members opined that their leaders are good in work habit in self-management as a dimension of leadership competency.
- Majority of the leaders opined that they are good in leading the other as a dimension of leadership competency, whereas members opined that their leaders are good in leading others as a dimension of leadership competency.
- Majority of the leaders opined that they are good in task management as a dimension of leadership competency, whereas members opined that their leaders are good task management ability as a dimension of leadership competency
- Majority of the leaders opined that they are good in innovation as a dimension of leadership competency, whereas members opined that their leaders are good innovation ability as a dimension of leadership competency
- Majority of the leaders opined that they are good ability in social responsibility as a dimension of leadership competency, whereas majority of members opined that their leaders are good ability in social responsibility as a dimension of leadership competency.

Findings from Leadership Competency Level

- Most of the leaders opined that they are competent level of leadership competency in relationship management, whereas members also opined that their leaders are competent in relationship management

- In facilitate and negotiation as a leadership competency, majority of the leaders and members opined that they are competent level of leadership competency.

- The leaders opined that they are at competent level of leadership competency in leadership skill and behavior as leadership competency, whereas members also opined that their leaders are competent in leadership skill and behavior as a leadership competency level.

- Most leaders opined that they are at novice level of leadership competency in relationship management as a leadership competency level, whereas members opined that their leaders are competent in relationship managements a leadership competency level.

- It may be concluded that majority of the leaders opined that they are competent in managing changes as leadership competency, whereas majority members also opined that their leaders are competent in managing changes as leadership competency.

- Majority of the leaders opined that they are at competent level in general management as leadership competency and the same is true with members also.

- Most of the leaders opined that they are at competent level in financial management as leadership competency and the same is true with members also.

- Majority of the leaders opined that they are at competent level of leadership competency in human resource management as leadership competency and the same is true with members also.

- Majority of the leaders opined that they are at competent level in quality improvement as leadership competency the same is true with members also.

Findings from Crosstab Analysis

Demographic Variables vs Leadership Competency Level

Age vs to Leadership Competency Level middle age leaders are more in categories of Leadership Competence Level. Gender vs to Leadership Competency Level it may be conducted that most of them are male leaders who are at competent level. Education Level vs Leadership Competency Level, implying the influence of the variable in making leadership competency level. The variable was also positively associated with leadership competency level. Family Size Vs Leadership Competency Level conducted that medium family size may improve the leadership competency level.

Personal Quality vs Leadership Competency Level

Most of the leaders that they are at competent level had positive personal traits in as leadership competency. Majority of leaders which were competent level of leadership competency was responding that they had strong knowledge and ability. Among leaders majority of them which were competent level of leadership competency was respond that they had 8-15 years of cooperative leadership experience. Majority of leaders them which were competent level of leadership competency was respond that they had strong analytical thinking ability.

Leadership Skill vs Leadership Competency

Majority of the leaders of competent level of leadership competency leaders was high conceptual skill. Majority of leaders who had high technical skill was competent level of leadership competency. Majority of leaders who had high human relation skill was competent level of leadership competency. Majority of them who had high decision making skill was competent level of leadership competency. Majority of leaders who had high communication skill was competent level of leadership competency level.

Determinants of Leadership Competency Level: Ordered Logit Model

The dependent variable, leadership competency level in the empirical model measures the probability of level of leadership competency and takes the value of "1" if the leaders at novice level, takes the value of "2" if the leaders are at competent level and "3" if they are expert. The independent variables for the empirical model come from the 3 categories of competency as determinants considered in the conceptual framework. A model including all variables anticipated to be significant and representing all categories was estimated. Subsequently, insignificant variables were getting rid of leaving a parsimonious model. The model was vigorous to dropping non-significant variables (i.e., signs and significance of other variables did not modify) and therefore only the description full model will be stated below.

Explanatory variables that are selected for ordinal regression model would be discussed based upon the model output. As indicated in Table 1, 100 % of the total variation for leadership competency level is explained by ordinal regression model. The $\chi2$ result also shows that the parameters are significantly different from zero at $P<0.05$ for the leadership competency level. The model correctly predicted sample size of 100 %. The explanatory variables that fit the model, family size, education level, leadership experience, personal traits, knowledge and ability, conceptual skill, human relation skill, analytical thinking and communication skill were found to be significant by influence Leadership Competence Level. Age, income, and decision-making skill were insignificant. The result implies that there is no variation between respondents in technical skill of leadership competency.

Table 1: Ordered Logit Regression Results for Determinants of Leadership Competencies

	Estimate	Std. Error	Wald	Sig.
Age	-2.636	1.622	2.643	.104
Family size	-1.955	1.002	3.806	.051*
Income	-.529	.489	1.171	.279
Education level	2.367	.606	15.261	.000***
Leadership experience	1.390	.746	3.467	.063*
Personal traits	13.110	4.466	8.619	.003**
Knowledge and ability	6.490	1.045	38.565	.000***
Conceptual skill	4.802	2.060	5.432	.020**
Human relation skill	5.065	1.664	9.268	.002**
Decision making skill	-7.151	5.021	2.028	.154
Communication skill	-4.874	1.832	7.079	.008**
Analytical thinking	3.634	1.753	4.297	.038**

Source: computed from survey result 2015

*** 1% level, ** 5% level, * 10% level significant

The ordered logistic model result shows that leaders who had small size of family was better in leadership competency and were more likely to lead the cooperative more than large family size. As the ordered logistic model indicates, family size of leaders had negative and significant influence on the leadership competency at 5% significance level. Leaders who have small family size had sufficient time to lead the cooperatives than larger family size of the leaders could be the reason.

Education level increases the leadership competency of cooperative leaders. It also increases the ability of the leadership. The model result shows that there is significant difference between leaders based on education level on the leadership competency. Education as an independent variable influences leadership competency positively and significantly at P<0.01 % level.

It was expected that leadership experience can increase the probability of leadership competency of the leaders. Leaders gain more information and ability about leadership competency as experience in leadership increases. Hence, it was hypothesized to affect leadership competency

positively. Model result shows that there is a positive influence of leadership experience over Leadership Competency Level at 10 % significant level.

Personal traits of leaders were one of the determinants of leadership competency. As the ordered logistic model indicates, personal traits of leaders have positive and significant influence on the leadership competency at 5% significance level. The odds suggested that with one unit increase in personal traits of the leaders the chances of leadership competency will increase. The ordered logistic model result showed that leaders who had better knowledge and ability had better in leadership competency were more likely to lead the cooperative more than low knowledge and ability of leadership. As the ordered logistic model indicates, knowledge and ability of leaders has positive and significant influence on the leadership competency at 1% significance level.

Analytical thinking increases the leadership competency of respondents on cooperative leadership. It also increases the understanding of the leadership, which, in turn, helps to apply easily. The model suggests that there is significant difference between respondents on the leadership competency. In general analytical thinking influences leadership competency positively and significant at P<0.05 % level. The conceptual skill of respondents was hypothesized to affect positively and significantly the leadership competency. As predicted, the ordered logistic model indicates that conceptual skill has significant influence on the leadership competency level at 5% significance level. Human relation skill of leaders was one of the determinants of leadership competency. As the ordered logistic model indicates, human relation skill of leaders has positive and significant influence on the leadership competency at 5% significance level. Finally education level, and knowledge & ability of leaders has positive influence and significant at 1% significance level.

To sum up, leaders of selected cooperatives have exposure to five dimensions of leadership competency. Majority of leaders are at competent level as reported by both leaders and members by considering various core competencies of leadership. The cross tab analysis revealed that there is relationship between demographic variables, leadership qualities, and leadership skills. Ordered logit model result shows that education level and, knowledge and ability have positive significant influence at 1% level; analytical thinking, human relations skill, conceptual skill, and personal traits have positive significant influence, and communication skill has negative significant influence at 5% level. Leadership experience has positive influence and family size has negative influence on the leadership competency level at 10% level.

It is found from OLRM that education increases the leadership competency of leaders on cooperative leadership. It also increases the ability of the leadership. The model result shows that there is significant difference between leaders based on education level on the leadership competency. Education again independent variable influences leadership competency positively and significantly at P<0.01 %

CONCLUSION

Leaders of selected cooperatives have response to five dimensions of leadership competency. Majority of leaders are at competent level as reported by both leaders and members by considering various core competencies of leadership. The crosstab analysis revealed that there is relationship between demographic variables, leadership qualities, and leadership skills. Ordered logit model result shows that education level and, knowledge and ability have positive significant influence at 1% level, analytical thinking, human relation skill, conceptual skill and personal traits have positive significant influence and communication skill has negative significant influence at 5% level, leadership experience has positive influence, and family size has negative influence as the leadership competency level at 10% level.

To conclude, as for leadership competency level majority of the cooperative leaders are at competent level, followed by novice level. The cooperatives must try to device mechanism to improve the skill and capacity of the leaders through leadership development programs so as to enable leaders to raise their competency to expert level to lead the cooperatives for sustainable development.

RECOMMENDATIONS

Cooperatives try to device leadership development programs on developing the skills of leaders in the five skill areas (conceptual, technical, human relation, decision making, and communication skill), thus creating a large pool of competent individuals for future leadership positions. Leadership skill areas and the specific competencies on the Leadership Competencies in cooperative leaders were identified because of their perceived importance by the administrative heads of current cooperative leaders and the current leaders themselves perceived these as important. Communication skills emerged as a leadership skill area important for cooperative leaders to have, communications courses and workshops should be recognized as necessary leadership development activities.

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