DRIVING GROWTH: ESSENTIAL ELEMENTS FOR MICRO COOPERATIVES ECOSYSTEM IN MALAYSIA

[1]Nor Arma Abu Talib*, [2]Amalina Ibrahim, [3]Nurul Fadly Habidin, [4]Hasrin Abu Hassan, [5]Yusman Yacob

[1,2,4]*Institut Koperasi Malaysia*
[3]*Universiti Pendidikan Sultan Idris*
[5]*Universiti Teknologi Mara Cawangan Sarawak*

*Corresponding author email: arma@ikma.edu.my

ABSTRACT

This study represents a significant stride in comprehending the critical success factors essential in Malaysia's growth ecosystem of micro cooperatives. A cooperative growth ecosystem is a systematic understanding of what helps cooperatives thrive and achieve a scale that positively impacts the cooperative. Therefore, this study is conducted to identify the critical element contributing to the potential growth of micro cooperatives in Malaysia. A thorough survey was undertaken using a questionnaire approach. A Structured Equation Model (SEM) was employed to test causal paths between dimensions for a sample of 225 members of micro cooperatives across Malaysia. The results of exploratory factor analysis (EFA), confirmatory factor analysis (CFA), and reliability analysis are empirically proven and confirm critical success factor items for essential elements (EPU). The study uncovers a total of 21 essential elements. Among these, the most crucial is strengthening capabilities and skills, which must be implemented in Malaysia's micro cooperatives' growth ecosystem. The study underscores the necessity for micro cooperatives in Malaysia to fortify these critical success factors to enhance cooperative performance. This study not only acts as a catalyst by acknowledging the significance of the ecosystem in amplifying the potential of micro cooperatives but also makes a substantial contribution to the field by providing a comprehensive understanding of the critical success factors in Malaysia's micro cooperatives, thereby laying the groundwork for future research and inspiring further exploration in this domain.

INTRODUCTION

A cooperative is a business entity that unites and cooperates voluntarily to meet economic, social, technological, and environmental needs through enterprises (business activities) undertaken, engaged, jointly owned, and democratically controlled under the Cooperatives Act 1993. Therefore, the Entrepreneurship Framework of the National 2018 issued by the Ministry of Entrepreneurship and Cooperative Development (KUSKOP) emphasises the role of cooperatives as social entrepreneurs and as the third contributor to the economy after the public and private sectors.

This also aligns seamlessly with the government's long-term goal, the National Entrepreneurship Policy (NDP) 2030, which aspires to elevate Malaysia to a superior entrepreneurial nation by 2030. This policy catalyses Malaysia's journey towards becoming a united, prosperous, and dignified country that continues to develop sustainably with a fairer and more inclusive economic distribution. Within this framework, DKN 2030 has set five main objectives: to enhance the capabilities of cooperatives and micro enterprises. This objective harmonises perfectly with one of the seven Shared Prosperity Vision (WKB) 2030 cores.

International cooperative ecosystem researchers Hoover and Abell (2016) support a national agenda to encourage the growth of national cooperatives. They have created a cooperative growth ecosystem framework based on three main components: essential, important, and environmental elements for micro-cluster cooperatives in Malaysia (Hoover & Abell, 2016). These three critical components can be aligned with the objectives of DKN 2030 and WKB2030. Previous studies have also found several things that prevent cooperatives from becoming a significant economic value generator. Some of the issues considered obstacles to cooperatives in Malaysia include lack of capital, traditional activities only, weak organisational structure, lack of cooperation between cooperatives, lack of management talent, lack of training and inculcation of a strong cooperative movement, as well as the integrity between

management and cooperative members (Hashim & Fawzi, 2015; Idris et al., 2013; Mastor et al., 2019).

In addition, the study conducted by Mastor et al. (2019) found that cooperatives in Malaysia need to be equipped with the essential components for growth and direction to increase their potential. This shows that the long-term movement of cooperatives in Malaysia is ineffective in improving their financial situation because there is a lack of important components in the ecosystem of cooperative growth. This causes the cooperative to be unable to improve the financial situation of its members and contribute to the community.

Much effort needs to be made to create a conducive environmental ecosystem for cooperatives in Malaysia (Mastor et al., 2019). Hoover and Abell (2016) also support the idea that cooperative entities are suitable for new business startups because they can reduce risk and provide better support through effective collaboration and long-term strategic thinking. Starting a new business with a micro cluster cooperative in Malaysia is appropriate until the annual turnover reaches a certain level before expanding into a small, medium, or large cluster. A development such as a micro-cooperative growth ecosystem requires some aspects of excellence that work together with a systematic and helpful evaluation and control process.

In the context of cooperative growth, a cooperative growth ecosystem refers to a systematic understanding of what can help a cooperative grow and reach a scale that will benefit it. Thus, this study identifies critical success factors for the essential elements in the cooperative growth ecosystem created by Hoover and Abell (2016). Elements should include skills and capability development, finance and accounts, advice and guidance, and strategic collaboration.

LITERATURE REVIEW

The number of cooperatives has been increasing every year since its inception. Starting with nine Sharikat Bekerjasama-Sama Pinjam-Meminjam in 1922, the number of cooperatives continued to increase until the end of 2022 to 15,315. The cooperative movement in Malaysia continues to grow by establishing various cooperatives

according to cooperative functions such as banking, credit, agriculture, housing, industry, consumer, construction, transport, and services (Cooperatives Commission of Malaysia, 2022). Cooperatives are divided into four categories based on their profitability. Large cooperatives have profits exceeding RM5 million; medium cooperatives between RM1 million and RM5 million; small cooperatives have profits between RM200,000 and RM1 million; and most cooperatives in this country are micro cooperatives (Idris et al., 2013).

The five leading indicators recommended by the Ministry of Entrepreneurship and Cooperative Development (2021) to see the growth of cooperatives in Malaysia are the number of cooperatives, number of members, total share capital or fees, total assets, and revenue. Overall, the growth of micro cooperatives shows a slight increase every year. The total revenue of micro cooperatives also increased along with the number of registered cooperatives. The revenue of micro cooperatives increased from RM283.39 million in 2014 to RM293.60 million in 2022 (Malaysian Cooperative Societies Commission, 2022).

In 2020, 31 micro cooperatives were listed in the Top 350 Best Cooperatives in Malaysia with revenue of RM4,446,994.38 million (Malaysian Cooperative Societies Commission, 2021). The thirteen listed micro cooperatives are involved in the real estate development and construction industries, and most carry out investment economic activities. Seven cooperatives are engaged in various economic fields, including credit, services, and consumers. Eight micro cooperatives are registered in the financial services sector and carry out economic credit activities. Micro cooperatives have representation in the agricultural and agro-based industries, and others are in the plantation industry (Malaysian Cooperative Societies Commission, 2021). This list of the Top 350 Best Cooperatives in Malaysia is selected through an evaluation process that considers business performance, management, finance (revenue, assets, and equity), and legal compliance.

The development of cooperatives is stable and resists economic crises because their business activities are supported by cooperative members' involvement (International Cooperative Alliance, 2018; Musa et al., 2020). In addition, cooperatives also resist economic crises because their primary source of financing is generated through

internal funds, which are the capital of their members. Micro cooperatives need to focus on developing a more comprehensive and dynamic ecosystem driven by entrepreneurial, creative, and strategic knowledge in management, focusing on the market and marketing and empowering the role and participation of members in cooperative activities. Developing the ecosystem of micro cooperatives and other clusters needs to be empowered so that cooperative members feel the effectiveness of improving the ecosystem (Malaysian Cooperative Societies Commission, 2020).

Cooperatives, the third contributor to the national economy after the government and private sectors, boast millions of members nationwide and assets worth billions of ringgits. This underscores the immense potential for further development of cooperatives, with extensive prospects for improvement. Micro cooperatives in Malaysia, in particular, hold significant potential for growth and competitiveness. This is especially noteworthy considering that cooperatives benefit the community through their involvement in economic activities that create job opportunities, business activities, and income. They also engage in social development activities among their members, enhancing the quality of life, particularly among low-income groups in rural areas or the urban poor.

Cooperatives play a pivotal role in alleviating poverty and promoting well-being among their members, particularly in the context of the Sustainable Development Goal (SDG) (Mayo, 2018). The performance of a cooperative is evaluated based on financial value indicators such as the economic value of a firm, the value of the cooperative's participation in the market, and the value of the firm according to the wishes of its members. A cooperative that is considered successful and potentially impactful must balance maximising its members' current well-being and maintaining long-term economic sustainability as an institution that conducts business (Reynolds, 2013).

Ecosystems include individual actors, organisations, institutions, and elements that interact around them to support or hinder cooperative growth. The cooperative movement in Malaysia demands the improvement of the development ecosystem and the regulation of cooperatives by considering a comprehensive strategy to transform the movement holistically.

A cooperative growth ecosystem refers to a systematic understanding of what helps a cooperative thrive and achieve scale, positively impacting the cooperative. The essential element (EPU) forms the basis for the growth of micro cooperatives.

ESSENTIAL ELEMENTS OF COOPERATIVE GROWTH ECOSYSTEM

Essential elements refer to the building blocks of cooperative businesses (the building blocks of cooperative businesses) and the engines for growth.

1. **Skills and abilities (MKK)**

   This element refers to the need for management to have the ability and skills to manage cooperatives. To strengthen the EPU, cooperatives must also improve their management, financial, strategic planning, and governance capabilities and skills. For instance, they can invest in training programs for their managers, hire financial consultants, and develop strategic plans for future growth. In addition, cooperatives must have growth-oriented leadership to continue the survival of cooperatives in business. Skills are efforts through training or experience, while ability is the quality of doing something. Adeyemo (2009) summarises skills and abilities by explaining them in the scope of entrepreneurship, which is entrepreneurial skills as the ability to exploit ideas and create enterprises (small or large) not only for personal benefit but also for the benefit of society and the country. Thus, this is one of the essential elements in the cooperative ecosystem, especially the micro-ones, to generate the cooperative's success.

   Consequently, to amplify the size of the cooperative and accumulate community wealth, the cooperative must execute management functions effectively, including planning, market positioning, employee recruitment, and accountability. The cooperative should also implement governance functions such as development strategies and policies. However, the most pivotal element for propelling growth and taking calculated risks is entrepreneurial leadership. A thriving cooperative will manifest entrepreneurial drive among its members or, at the very least, possess a dedicated management team. This is particularly inspiring as cooperative members and workers often have a low

level of education, limited business experience, and various employment obstacles. In such scenarios, experienced management can bring business expertise and foster entrepreneurial leadership among all cooperative members (Hoover & Abell, 2016).

2. **Finance and accounts (KAK)**

Achieving a solid cooperative growth ecosystem requires a large amount of capital in various forms, such as loan capital, equity, and grants. Funding is necessary for the start-up of all businesses, and cooperatives are no exception. Funding will allow the cooperative to grow. The experience of cooperatives states that the need for more equity and relying on loan sources is the main reason for showing a lack of capital and resulting in failure (Hoover & Abell, 2016). Cooperative financial institutions act as a place to save and provide credit in addition to some carrying out bank functions. A cooperative bank is an organisation that provides services to members and non-members. These institutions seek to generate profits to raise capital and finance long-term growth.

3. **Advice and guidance services (KNB)**

Due to their unique and somewhat complex organisational structure, legislation and capital, advisory and guidance services are very important for cooperatives. Cooperative members' knowledge of cooperatives plays a robust developmental role in cooperatives at the initial stage. Cooperatives also need knowledgeable advice and guidance because cooperative growth brings new challenges in various areas, such as human resources, commercial real estate consulting, regulatory issues, legal and equity structuring, dispute resolution, and capital planning. For example, cooperatives in the agricultural sector need advice and guidance in managing agricultural produce and continuously increasing their production. Kilelu et al. (2021) examine the technical perspective and business performance of agricultural advisory services in a developing country and support the idea that farmer clients need technical assistance to become successful agricultural entrepreneurs.

4. Strategic cooperation between cooperatives (KSS)

In moving towards a developed country and a high-income economy, the cooperative movement can no longer rely solely on traditional businesses if it wants to remain relevant and competitive in the market. To achieve this goal, cooperatives need to keep up with the current economic ecosystem by using the best practices of local or international organisations that successfully increase their respective productivity. Strategic collaboration is one of the alternatives to go in that direction (Shari, 2016). However, Yeoh (2003) stated that the success and failure of this approach depends on the relationship between the two parties. Therefore, the " win-win " concept should be emphasised in strategic cooperation to obtain profits and benefits.

Earlier, several large cooperatives had this strategic cooperation. For example, in January 2015, Koperasi Perkhidmatan Pelajaran Nasional (KOPENAS) partnered with Malaysia's famous cooperative bank, Bank Rakyat, by issuing debit cards for its members. This step benefits 14,000 KOPENAS members throughout Malaysia by facilitating the payment of personal loans to cooperative members through the relevant card account as soon as approval is obtained. This is seen to save time and cost and increase the efficiency of the cooperative. Koperasi Anak-Anak Selangor Berhad (KOSAS) has taken the initiative by collaborating with four other cooperatives to improve the cooperative's capacity in the field of tourism.

METHODOLOGY

This study uses a questionnaire distribution approach. This approach was chosen because it is very suitable for relatively sensitive questions, the respondents' identity is considered secret, and it can indirectly encourage honest feedback from the respondents (Sekaran & Bougie, 2019). This research instrument uses a five-point scale that ranges from strongly disagree (strongly disagree – 1) to agree (strongly agree – 5).

The questionnaire of this study was evaluated by four experts in the field of cooperative management for content verification. The questionnaire was improved based on comments from experts. A pilot study was conducted to obtain data reliability and construct validity from pilot testing through a small group of the study population. Reliability refers to the degree of consistency explained by an instrument that can be measured through the Cronbach Alpha value, α, which is preferably higher than 0.6 (Nunnally, 1978). Construct validity was conducted through exploratory factor analysis (EFA) of the constructs in the study instrument. EFA was implemented to ensure only the best constructs from the data obtained from the study sample (Hair et al., 2019).

This study involved members of micro cooperatives throughout Malaysia as respondents. From January to March 2021, the questionnaire was emailed to 767 active micro cooperatives with an annual turnover between RM150 thousand and RM200 thousand. Short message service (SMS) and messages via WhatsApp were also sent to the chairman or secretary of the cooperative as a friendly reminder to answer the questionnaire. Only 225 respondents returned the questionnaire.

Validity and reliability

This analysis was conducted on all 21 items to construct the essential elements (EPU) in the growth ecosystem of micro cooperatives. One hundred questionnaires from the pilot study were used for EFA analysis. This analysis was conducted to identify and organise many questionnaire items into constructs under one specific variable from the study sample (Tabachnick & Fidell, 2019).

This EFA analysis is carried out through the Principal Component Analysis (PCA) method. This method is suitable because it can reduce the many variables to factors that are limited in number but still refer to the same characteristics to be used in the following analysis. This method drops uncorrelated items while only items with high correlation will be retained (Hair et al., 2019).

The KMO sample adequacy test showed a value of 0.937 as well as a significant Bartlett's Test of Sphericity ($p<0.05$) with a chi-square value of 2900.15 at 210 degrees of freedom, proving that the number of samples used in the EFA was sufficient and

categorised at a reasonable level (Hair et al., 2019). These values indicate that the factor analysis can be continued. Orthogonal rotation with the varimax method of 6 rotations has set four factors in the EPU to explain the amount of variance, which is the Eigenvalue greater than 1.0. Orthogonal rotation is chosen to ensure that the observed variables are not correlated. The varimax method has rotated the factors with their loading to ensure that the items belong to certain factors. The primary purpose of this method is to maximise the variance of the factor loading by increasing the high loading and lowering the low value for each factor (Tabachnick & Fidell, 2019).

The analysis found that factor one has six items, factor two has six items, factor three has five items, and factor four has six items. Factor 1 contributes as much as 67.32%, factor 2 contributes as much as 10.11%, factor 3 as much as 5.57%, and factor 4 as much as 3.07% of the total variance. These four factors show a total variance percentage of 86.07% and are considered vital by Tabachnick and Fidell (2019). The items for the EPU construct show factor loading values ranging from 0.548 to 0.890. Based on the factor analysis, the researcher found that factor 1 is finance and accounts (KAK), factor 2 refers to strengthening capabilities and skills (MKK), factor 3 is advisory and guidance services (KNB), and factor 4 explains strategic cooperation between cooperatives (KSS). Table 1 summarises the results of the exploratory factor analysis of the factor loadings for the EPU element construct in the micro-cooperative ecosystem.

Table 1: Results of exploratory factor analysis (EFA) for essential elements (EPU)

Item	Load Value Factor			
	1	2	3	4
KAK7	.890			
KAK8	.860			
KAK9	.859			
KAK6	.843			
KAK10	.825			
KAK5	.807			
MKK2		.854		
MKK3		.841		
MKK1		.840		
MKK4		.813		

Item	Load Value Factor			
	1	2	3	4
KNB13			.746	
KNB14			.731	
KNB15			.723	
KNB12			.708	
KNB11			.627	
KSS16				.765
KSS19				.730
KSS21				.631
KSS20				.628
KSS18				.599
KSS17				.548
Eigen Value	14.14	2.12	1.17	1.09
Percent Variance (%)	67.32	10.11	5.57	3.07
KMO	.937			
Bartlett's test of sphericity	2900.15*			
Number of variants described	86.07			

*Note: * p<.05; Only a load factor of 0.30 is displayed.*

Confirmatory Factor Analysis (CFA)

CFA was performed to test the model's fit with the collected data and the factor structure constructed from the EFA analysis (Choi et al., 2009). Several coefficients were used to measure the model's fit with the study data (Hu & Bentley, 1999). The fit index used in this study is the chi-square test, Comparative Fit Index (CFI), Tucker-Lewis Index (TLI), and Bollen's Incremental Fit Index (IFI), all of which are widely accepted in the field of CFA. These indices measure how well the model fits the data, with values>0.90 indicating a good fit. For the Root Mean Square Error of Approximation (RMSEA) index, the value is < 0.10, and the Standardized Root Mean Square Residual (SRMR) value is < 0.08 (Hu & Bentler, 1999). These values indicate a good fit for the model. Accordingly, models that comply with this coefficient criterion will be accepted.

The EPU measurement model is represented by four factors (dimensions) containing 21 indicators (items) to test the estimated parameters of the tested model. The first dimension is MKK, which includes four items; the second dimension is KAK (6 items),

the KNB dimension (5 items), and the KSS dimension (6 items). The testing of the measurement model's suitability is carried out through the analysis of its fit indices. These fit indices, such as the Comparative Fit Index (CFI), Tucker-Lewis Index (TLI), and Bollen's Incremental Fit Index (IFI), provide a measure of how well the model fits the data, with values> 0.90 indicating a good fit. This process allows us to determine whether the model suits the data.

The results of the analysis show that this measurement model has a good indication of compatibility with the data studied with SRMR= .046 (<.08), RMSEA= .088 (<.10), CFI index value = .950 (>.90), IFI = .950 (>.90), TLI= .943 (>.90), and Chisq/df = 2.754 (<5). The factor loading value for the MKK dimension is 0.84, the KAK dimension is 0.83, the KNB dimension is 0.94, and the KSS dimension is 0.95. These factor loading values indicate the strength of the relationship between each indicator and its corresponding factor. The factor loading value for each item in this model is also significant, with a range of values between 0.82 and 0.96, which recorded a value above 0.50. This is shown in Figure 1 below. The analysis results suggest that these four dimensions can be used to measure the application of necessary elements in the growth ecosystem of micro cooperatives.
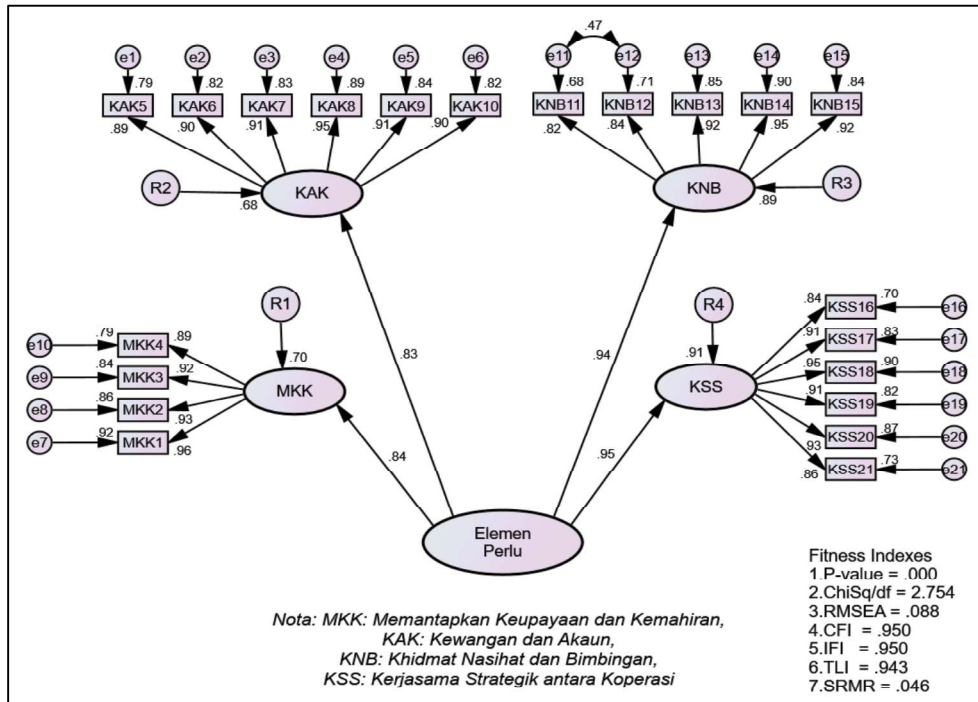
Figure 1: EPU measurement model

FINDINGS AND DISCUSSION

Table 2 shows the findings of critical success factors for the essential elements in the growth of micro cooperatives in Malaysia. The level and ranking of these critical success factors are measured by calculating the average (mean) score for each study variable. These factors will be ranked based on the mean value obtained to see which factors are the most important in Malaysia's micro cooperatives' growth ecosystem.

Table 2 shows the mean value of the four critical success factors for the essential elements in this study.

Table 2: Critical success factor for micro cooperatives growth in Malaysia

Critical Success Factor for Micro Cooperatives Growth in Malaysia	Item	Min value
Essential Elements (EPU)	21	3.40
Strengthening skills and capabilities (MKK)	4	3.56
Advice and guidance services (KNB)	5	3.40
Strategic collaboration among cooperatives (KSS)	6	3.38
Finance and account (KAK)	6	3.26

The study's findings underscore the importance of strategic planning in the economic growth of micro cooperatives. The most important critical success factor in the essential elements for the micro cooperative growth ecosystem is MKK, with a mean of 3.56, followed by the KNB factor, with a mean of 3.40. These factors are at and above the average EPU value of 3.40. However, two more factors, namely KSS and KAK, respectively, with mean 3.38 and 3.26, are below the average value of EPU. However, the mean value obtained is not significantly different from the average value of EPU. In principle, this reflects a good status in implementing the growth ecosystem of micro cooperatives.

The findings show that the foundation of establishing a cooperative is related to management, administration, strategic planning, and leadership. Leadership is one of the essential elements that need to be strengthened to ensure that the performance of an organisation increases. This finding is supported by Makori and Kinyua (2019) because effective leadership can create an organisational culture in which staff feel valued and listened to and can indirectly encourage carrying out their duties. In addition, systematic strategic planning also emerges as a critical contributor to the economic growth of micro cooperatives. A study by Donkor et al. (2018) also agrees with the statement that organisational performance is influenced by strategic planning. Therefore, the findings of this study show that, on average, most micro cooperatives focus on strengthening capabilities and skills, especially in the management, planning, and leadership of cooperatives.

Next, the second highest critical success factor in the growth ecosystem of micro cooperatives in Malaysia is advice and guidance services (KNB). This finding confirms that advisory and guidance services are essential in assisting cooperatives with legislation, finance and accounting, cooperative development, human resources, and governance. This finding aligns with the study by Mohd Rifin et al. (2021), who stated that advice and guidance services are needed to manage a business because sharing expert guidance, experience, and knowledge can help build and manage a business successfully. Advisory and concern services are essential factors for cooperatives to improve performance and thrive in the future. Accurate and targeted advice and guidance services can help cooperatives focus on areas that need attention. Thus, based on the findings, cooperatives need help with advisory services and guidance in several aspects, including governance, legislation, finance, and cooperative development.

The third-highest critical success factor is strategic collaboration among cooperatives (KSS). This finding shows that most cooperatives in Malaysia practice strategic cooperation with other cooperatives to support cooperative economic growth. The cooperation network between these cooperatives includes capital investment, activity support, and business knowledge. This aligns with the Sofi Ariffin et al. (2021) study. The study proves that network capabilities such as communication skills, forming new relationships, and so on must be developed to improve cooperatives' performance.

Finally, the lowest critical success factor of the essential elements is finance and account (KAK). This finding shows that most cooperatives in Malaysia are in dire need of financial support to support their business growth in the long term (Arifin et al., 2022; Md Salleh et al., 2008). Although this factor is the lowest, this KAK factor is essential for the growth ecosystem of micro cooperatives in Malaysia to become stronger. Capital financing is required in starting all types of businesses, and cooperatives in Malaysia are no exception in needing financing, such as credit cooperative loan capital financing, bank loan capital, share capital, and Revolving Capital Fund (TMP). Cooperatives that need more equity and rely on loan sources are the main reasons for lacking capital and failing (Hoover & Abell, 2016).

CONCLUSION

This study aims to identify critical success factors for the essential elements in the growth ecosystem of micro cooperatives. This critical success factor is expected to ensure the application of the essential elements more effectively and provide a positive impact. The analysis results show four critical success factors identified as essential elements for a micro cooperative growth ecosystem. These four factors play a crucial role in meeting the needs of the cooperative. In conclusion, the results obtained indirectly help the cooperative formulate its direction and strategic planning plan for the future. In addition, cooperatives can also strengthen their potential by improving the critical success factors of the cooperative.

REFERENCES

Adeyemo, S. A. (2009). Understanding and acquisition of entrepreneurial skills: A pedagogical re-orientation for the classroom teacher in science education. *Journal of Turkish Science Education*, *6*(3), 57–66.

Arifin, A., Yacob, Y., & Ibrahim, A. (2022). Koperasi wanita di Malaysia : Isu dan cabaran. *Malaysian Journal of Co-operative Studies*, *18*, 91–119.

Choi, N., Fuqua, D. R., & Newman, J. L. (2009). Exploratory and confirmatory studies of the structure of the Bem Sex Role Inventory short form with two divergent samples. *Educational and Psychological Measurement*, *69*(4), 696–705. https://doi.org/10.1177/0013164409332218

Donkor, J., Donkor, G. N. A., & Kwarteng, C. K. (2018). Strategic planning and performance of SMEs in Ghana: The moderating effect of market dynamism. *Asia Pacific Journal of Innovation and Entrepreneurship*, *12*(1), 62–76. https://doi.org/10.1108/apjie-10-2017-0035

Hair, J. F., Black, W. C., Babin, B. J., & Anderson, R. E. (2019). *Multivariate Data Analysis* (8th ed.). Cengage.

Hashim, M. K., & Fawzi, D. A. (2015). Issues, scope, and focus of research on cooperatives in Malaysia. *Journal of Education and Social Sciences*, *2*(October), 121–125. http://jesoc.com/wp-content/uploads/2015/11/SS-48.pdf

Hoover, M., & Abell, H. (2016). The cooperative growth ecosystem. Inclusive Economic Development in Action. *Dawi & Pe*, p. 55.

Hu, L. T., & Bentler, P. M. (1999). Cutoff criteria for fit indexes in covariance structure analysis: Conventional criteria versus new alternatives. *Structural Equation Modeling: A Multidisciplinary Journal,* *6*(1), 1–55. https://doi.org/10.1080/10705519909540118

Idris, S. R. W., Yacob, Y., Abdullah, F. M., Mortadza, M. S., & Morshidi, M. H. (2013). Faktor-faktor kritikal kejayaan perniagaan kedai runcit koperasi di negeri Sarawak. *Malaysian Journal of Co-operative Studies,* *9,* 93–114. https://doi.org/10.1093jaoac/73.1.147

International Cooperative Alliance. (2018). *Co-operative history.* http://www.ica.coop/coop/history.html

Kementerian Pembangunan Usahawan dan Koperasi. (2021). Pelan Transformasi Koperasi Malaysia 2021-2025. In *Suruhanjaya Koperasi Malaysia.*

Kilelu, C. W., van der Lee, J., Koge, J., & Klerkx, L. (2021). Emerging advisory service agri-enterprises: A dual perspective on technical and business performance. *Journal of Agricultural Education and Extension,* 1–21. https://doi.org/10.1080/1389224X.2021.1888759

Makori, B. N., & Kinyua, G. (2019). Organisational leadership and performance of Co-operative Bank of Kenya. *International Academic Journal of Human Resource and Business Administration,* *3*(5), 357–375. https://ir-library.ku.ac.ke/bitstream/handle/123456789/21155/Organizational Leadership. pdf?sequence=1

Mastor, N. H., Ali, A., Omain, S. Z., & Earnest, D. F. (2019). Barriers to cooperatives growth as a social entrepreneur. *Journal of Economic Info,* *6*(4), 18–20. https://doi.org/10.31580/jei.v6i4.1096

Mayo, E. (2018). *Co-operatives making a difference through sustainable development.* Co-operatives Fortnight. https://www.thenews.coop/129403/sector/banking-and-insurance/co-operatives-making-difference-sustainable-development/

Md Salleh, H., Asha'ari, A., Ahmad Faizal, A. S., & Norbiha, K. (2008). *Gerakan Koperasi Di Malaysia.* Maktab Kerjasama Malaysia.

Mohd Rifin, M. H., Lyndon, N., & Abdullah, A. (2021). Nilai jaringan sosial dan model kelestarian perniagaan perusahaan kecil dan sederhana (PKS) Melayu. *Malaysian Journal of Social Sciences and Humanities (MJSSH),* *6*(9), 96–116. https://doi.org/10.47405/mjssh.v6i9.1053

Musa, D., Musa, I., & Muhammad, N. (2020). Business Performance of cooperatives in Malaysia : Issues, challenges and future direction. *Journal on Technical and Vocational Education (JTVE),* *5*(1), 27–40.

Nunnally, J. C. (1978). *Psychometric theory.* McGraw-Hill.