

AN EVALUATION OF THE ASSISTANCE PROGRAMMES PROVIDED TO COOPERATIVES IN MALAYSIA

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ABSTRACT

Although various assistance programmes have been developed and provided to the cooperatives in Malaysia, limited empirical studies have investigated the effectiveness of the assistance programmes offered to these organizations. This study attempted to evaluate the effectiveness of the assistance programmes provided by the Malaysia Cooperative Societies Commission (MCSC), the Cooperative College of Malaysia (CCM) and the National Cooperative Organization of Malaysia (NCOM). By using questionnaires, the data for the study was collected from 92 cooperatives. Findings of the study suggested that in general the cooperatives viewed the assistance programmes provided by the three supporting agencies as effective.

Keywords: cooperatives, assistance programmes, Malaysia

INTRODUCTION

Cooperatives are considered important as employers and investors in Malaysia. Cumulatively, they represent an important component of the Malaysian social and economic ecosystems. As an essential part of the social and economic ecosystems, cooperatives contribute significantly to the national economy. Their social and economic contributions are considered as vital as those provided by business organizations and non-profit organizations.

There are huge numbers of cooperatives in Malaysia operating in various industries. Consumer cooperatives, worker cooperatives, finance or banking cooperatives and community cooperatives are some examples of cooperatives that represent the different industries. Nevertheless, there is not much information about the nature of these cooperatives. For instance, information concerning how they functions, their management and their business operations remained limited (Rajaratnam, Noordin, Anuar Said, Juhan, and Mohd Haniff, 2009; Noordin, Rajaratnam, Anuar Said, Juhan, and Mohd Haniff, 2011).

Despite their large numbers and contributions to the Malaysian economy, cooperatives have yet to attract serious research attention. Even though there are some studies conducted on cooperatives, the review of these past studies suggested that they are still relatively limited in scope, focus and that they are not integrated. The general emphasis has been largely on examining the performance of cooperatives, management styles, human resource management practices, and compliance to Cooperative Societies Act 1993 (Kaur, 2006; Yacob, 2009; Tei, 2006; Rajartnam, 2007, 2008).

Furthermore, the literature appears to indicate that not all cooperatives are successful. A number of past studies have also identified the problems faced by cooperatives. For example, the findings of the study by Carr, Kariyawasam and Casil (2008) showed that the performance of cooperatives was affected by internal as well as external factors. According to the study, the following factors influence the performance of cooperatives; competition, attraction and retention of membership, cash flow and income generation, increasing cost of energy and other resources as well as keeping track of changing technology.

In recognizing the problems faced by the cooperatives and the need to assist them, three agencies were established in Malaysia to help in their development and growth. Through the Malaysia Cooperative Societies Commission (MCSC), the National Cooperative Organization of Malaysia (NCOM) and the Cooperative College of Malaysia (CCM), various assistance programs have been introduced to stimulate as well as strengthen the business activities and management of the cooperatives. Among the broad assistance programs extended to the cooperatives include information, financing, infrastructure, training and development, advisory, and consultation.

Throughout the years, the government has provided substantial amount of resources to help develop different assistance programs to encourage the development and growth of the cooperatives in the country. For example, in 2010, the Malaysian Government allocated about RM114.2 million to implement various development programs for the cooperatives (Malaysia Cooperative Societies Commission, 2011). Nonetheless, creating supporting agencies and apportioning large amount of monetary resources to the cooperative assistance programmes can be very wasteful if the impact of these programs on the business activities of the cooperatives is unknown as well as found to be ineffective (Thuraisinham, 2008a, 2008b). Therefore, there is a need to evaluate the effectiveness of the government supporting agencies and the assistance programmes provided and promoted by the supporting agencies.

Assessing the effectiveness of the cooperative supporting agencies and their assistance programs has posed a challenge not only to management of cooperatives but also to policy makers as well as researchers due to the numerous programmes being offered. Despite the need and challenge, evaluation of the assistance programmes provided to the cooperatives has not received much research attention. Given the importance of the cooperatives and the lack of clear information as well as conclusions regarding their

development and growth, examining the effectiveness of the assistance programmes are noteworthy since the information obtained from studying these programmes can be useful to help the cooperatives improve their operations as well as performance.

This study attempted to evaluate the effectiveness of the assistance programmes provided to the cooperatives. Information on the evaluation of the effectiveness of the assistance programmes is useful for the following reasons. First, the information may help us to gain some insights into the types of assistance offered to the cooperatives. Second, if this information can be effectively captured, then the information may be helpful in improving existing programmes as well as in developing more effective supporting programmes to further assist the cooperatives.

LITERATURE REVIEW

In Malaysia, the government has been very much involved in developing more vibrant, dynamic and competitive cooperatives since they were introduced in the country in the early 1920s. The interest and involvement of the Malaysian government in promoting and expanding the business activities of cooperatives have been flourishing for many years. Since the beginning, the government has been attempting to foster their development and growth in the country. Over the years, several supporting agencies have been established to provide various kinds of assistance to the cooperatives (Malaysia Cooperative Societies Commission, 2011). These agencies offer numerous types of assistance to not only help cooperatives to overcome their shortcomings but also in stimulating their development and growth in the nation. The following section explains briefly the roles of the three major agencies that support cooperatives in Malaysia.

The Malaysia Co-operative Societies Commission

Before the formation of the Malaysia Co-operative Societies Commission (MCSC), the government has given the authority and responsibility to the Cooperative Development Department (CDD) to develop, register and supervise the cooperatives in the country. Since its establishment in 1922, the Department has successfully registered thousands of cooperatives in the country. From just 11 cooperatives in 1922, the Department has managed to register a total of 4,771 cooperatives with 5.69 million members, RM8.6 billion in share capital and assets valued at RM24.9 billion at the end of December 2005. In addition, between 2001 and 2005, through the Department, the government has approved loans totaling RM24 billion for 2.96 million cooperative members.

As a result of their acceptance, remarkable growth and also in realizing the need to further strengthen as well as sustain the cooperative movement in the country, the government decided to approve the setting up of the cooperative commission on 2nd

March, 2005. On 1st January, 2008, the government officially upgraded and converted the Cooperative Development Department to the Malaysia Co-operative Societies Commission (MCSC).

The government created the MCSC to help sustain the cooperative movement in the country. Through the MCSC, the government hopes to further promote the development and growth of successful cooperatives so that they can significantly contribute to the social and economic development of the nation. The MCSC attempts to promote the development and growth of cooperatives in a more effective and systematic manner through its regulations and various assistance. In addition to its former responsibilities, the government has also assigned the Commission other important tasks and duties.

In particular, the MCSC has been asked to provide financial assistance to small traders, owners of small businesses and women-owned businesses who are members of cooperatives. In addition, the MCSC monitors the financial and operational activities of the cooperatives in the country to ensure that they are financially healthy. In terms of the financial assistance, the MCSC created and managed two types of funds. The two funds include the Cooperative Deposit Account (CDA) and the Central Liquidity Fund (CLF). The CDA is funded with the surplus capital from the cooperatives. The CLF in turn is financed with the accumulated funds deposited by the cooperatives based on fixed percentage. The cooperatives can borrow from the CLF when they faced financial difficulties.

More specifically, according to the Malaysia Co-operative Societies Act 2007, the MCSC was established for the following objectives:

- Foster sound and orderly development of co-operative societies and the co-operative sector in accordance with co-operative values and principles to contribute towards achieving the socio-economic objectives of the nation;
- Promote a financially sound, progressive and resilient co-operative sector; and
- Maintain confidence in the cooperative movement.

Apart from the three specific objectives of the MCSC, the Commission also has several important functions to perform. Among these functions include:

- To promote and maintain stability of the cooperative sector;
- To be responsible for the surveillance, supervision and regulation of cooperatives and the cooperative sector;
- To encourage and promote sound and orderly development of cooperatives and the cooperative sector;
- To foster cooperative values and principles;
- To create a conducive environment for cooperatives to carry out their activities;
- To register and revoke the registration of cooperatives;

- To act as trustee and to manage any scheme of Islamic financing or credit facility set up by the government for cooperatives;
- To advise the Minister on all matters relating to cooperatives and cooperative sector; and
- To carry out any function under any written law as may prescribed by the Minister by notification published in the Gazette.

Additionally, through the establishment of the MCSC, the government also aims to identify the problems and factors that affect the management, development and growth of the cooperatives. For instance, the MCSC has identified ineffective management, breach of trust, and misappropriation of funds as problems faced by cooperatives. According to the MCSC, cooperatives faced these problems mainly because their board members not only do not truly understand and appreciate the principles of cooperatives but also they are being undemocratic in managing their cooperatives.

The Cooperative College of Malaysia

The Cooperative College of Malaysia (CCM) is the sole educational institution in the country that provides specific education and training programmes to the cooperatives. The CCM was formed in 1956 and incorporated in 1968 under the College of Cooperative Act 1968. The main roles of the CCM include:

- Provide courses in cooperative management and award diplomas to suitable academic programmes.
- Publish and distribute books on cooperatives and other related areas.
- Conduct research and provide advisory service to cooperatives.

Over the years, the College of Cooperative has offered various educational courses and training programmes in cooperative management through its Academic Division. The Academic Division consists of the following centres:

- The Management and Entrepreneurship Centre
- The Finance and Accounting Centre
- The Cooperative Law and leadership Centre
- The Information Technology and Communication Centre
- The International and Higher Education Centre
- The Cooperative Consultation Centre
- The Research and Publication Centre

However, since the implementation of the National Development Policy, the College has reviewed its mission. Its new mission is to become the premier institution for cooperative training and education in Malaysia so as to assist the development of the cooperative movement. In particular, in its new role, the College focuses on the development activities

at the pre-cooperative stage through the Bina Insan Movement (Human Development Movement) institutions. The following are the new objectives of the College:

- Provide skills, professional and academic courses until the degree level;
- Facilitate the improvement of management skills in the cooperatives, specifically in the field of commerce and small and medium-scale industries so as to create the Bumiputra Commercial and Industrial Community;
- Establish close relationships with other institutes of higher learning in and outside the country; and
- Adopt information technology to increase the management and training skills of the College.

The National Cooperative Organization of Malaysia

The National Cooperative Organization of Malaysia (NCOM) or commonly known as the Angkatan Koperasi Malaysia Berhad (ANGKASA) is the apex cooperative to all the cooperatives in the country. Although the NCOM is not a government agency, as the apex cooperative, the government has given the authority to it to represent the cooperative movement in the country at both the national and international levels.

The idea to establish NCOM was first proposed at the First Cooperative Congress in 1966 and later at the Second Cooperative Congress in 1971. Following the presentations of the idea at the two congresses, on 12 May 1971, the NCOM was formed and registered officially. As for its management, NCOM follows the same standard management practices as adopted by all the cooperatives in the country.

However, unlike the other cooperatives, in terms of its activities, the NCOM does not involve in any business ventures. As the apex cooperative, its role is to look after the interests as well as safeguards the rights of all the cooperatives in the country. More specifically, the objectives of the NCOM include the following:

- Unite all the cooperatives in Malaysia so as to safeguard their rights and interests
- Represent the cooperative movement at the national and international levels
- Implement education programmes related to cooperatives and spread the concept and principles of cooperative to the general public
- Provide various affordable services to members that will enable them to manage their cooperatives more efficiently and effectively.

The NCOM is involved in various activities and provides numerous services to the cooperatives in the country. Their activities and services include the following:

- Education and training services
- Salary deduction facility

- Publication
- Development of school cooperatives
- NCOM Trust Fund
- Introduction and promotion of Petanque (a French sport game)
- Education Fund
- Turnaround of cooperatives
- As the representative of the cooperative movement in Malaysia

Providing assistance to cooperatives has been a primary concern for the Malaysia Co-operative Societies Commission, the Cooperative College of Malaysia and the National Cooperative Organization of Malaysia. Nonetheless, having supporting agencies and spending large amount of money on various types of assistance can be worthwhile only if the assistance programmes have positive impact on the business activities of the cooperatives. Given this, there is therefore a need to evaluate the effectiveness of the assistance programmes provided by the three cooperative supporting agencies.

Promotion of cooperatives spurs social as well as economic development and has therefore a claim on growth-minded governments. Consequently, developing nations have adopted promotion and assistance programmes geared towards the cooperatives sector. Although the programmes introduced by governments may vary from country to country, they are usually based on the same philosophy and delivery system. The most common model adopted has been the setting up of a centralized publicly owned promotion agency that offers a variety of assistance measures. Nevertheless, issues concerning the impact of such approach and programs have often been raised in the literature. Among the common issues raised included; the lack of cooperatives participation in the design and implementation of the support programs, the centralized top-down approach, and the bureaucratic implementation by government agencies (Meier and Pilgrim, 1994).

According to Lang and Golden (1989), the assessment of the effectiveness of government support agencies has challenged managers, policy makers and researchers because of the variety of assistance offered and the different contexts in which the supporting agencies operated. This study found many of the assistance programmes provided by the federal government are subdivided into different regions within each state. Although this approach allowed the assistance programmes to be more accessible and available to organizations, it also made objective and fair evaluation of the programmes more difficult due to local differences among the agencies within a state.

In addition to the difficulty of assessing government assistance programmes, previous studies have also raised the issue of accurately measuring the impact of the programmes. More specifically, the studies by Wood (1994) and Sassone and Schaffer (1978) suggested the need to measure more precisely the effectiveness of the assistance programmes. These authors proposed that for accuracy purposes, the assistance programmes should be measured in terms of both the primary and secondary benefits derived from receiving the assistance Programmes. According to these studies, primary or direct benefits are the net benefits of a

good or service to its actual recipient. For example, when an organization obtains service from an assistance programmes, the organization receives a primary benefit in the form of help and consultation. On the other hand, secondary or indirect benefits are the gains in employment or revenue among organizations that receive the primary benefits. However, in the case of the secondary benefit, the benefit is considered a genuine secondary benefit if the employment and revenue are new to the economy.

Past studies have also identified awareness of the assistance programmes as an important factor that can influence the effectiveness of the programmes. For example, in evaluating the effectiveness of government export assistance programmes provided to exporting small firms in the United States of America, the study by Moini (1998) found that the awareness and effectiveness of the assistance programmes varied by the degree of internationalization among the exporting firms. The findings of the study further indicated that firm and decision maker characteristics influenced the effectiveness of the programmes and that the export assistance programmes needed to be tailored and targeted at the right exporting small firms.

In another study initiated to improve the evaluation of the government supporting agencies in the United States of America, Elstrott (1987) suggested the need to include an accurate, client-based, qualitative assessment and quantitative economic analysis. According to the study, the quantitative and qualitative evaluation of the government agencies consulting activities should be carried out in a cost efficient manner by aggregating annual, standardized, statewide evaluations. By doing so, the need for a national evaluation process could be fulfilled, and at the same time it will allow for consistence and accurate performance comparisons across years and between states, which would also be useful for national evaluation and funding purposes.

RESEARCH METHODOLOGY

Procedure and Sample

The data for the study was collected from the cooperatives operating in the states of Penang, Kedah and Perlis by using a structured questionnaire. The cooperatives that participated in this study were confined only to those cooperatives that were still active and had registered with the Malaysia Cooperative Societies Commission (MCSC) in the three states. The study used the directory of the cooperatives obtained from the MCSC as its sampling frame. The directory acquired from the MCSC indicated that in 2010 there were 1,344 cooperatives in Penang, Kedah and Perlis. Of the total number of 1,344 cooperatives, 505 cooperatives were registered in Penang, another 703 cooperatives were registered in Kedah and the remaining 136 cooperatives were registered in Perlis. However, further information gathered from the offices of the MCSC in the three states revealed that about 20 per cent of the cooperatives were not active.

In the present study, a cooperative was defined as one that is officially registered with the MCSC. In addition, the cooperative was active and being managed by its members for at least the past three years. Based on these criteria, 1,075 cooperatives were identified and selected from Penang, Kedah and Perlis. Of this total, 404 cooperatives were located in Penang, another 562 cooperatives were located in Kedah and the remaining 109 cooperatives were located in Perlis.

This study used a structured questionnaire to collect the primary data. A total of 1,075 questionnaires were given to the Assistant Directors of the MCSC offices located in the three states who had earlier agreed to distribute the questionnaires to the cooperatives in their states. The distributed questionnaires were then collected from the Directors one month later. Of the 1,075 questionnaires distributed, 92 cooperatives completed and returned their questionnaires to the Assistant Directors. This outcome resulted in the overall response rate of 8.6%.

Survey Questionnaire

The structured survey questionnaire adopted in this study was divided into two parts. The first part consisted of 13 questions. Questions one through 13 focused on obtaining the general information concerning the background and characteristics of the cooperatives. Specifically, questions one to 11 were used to gather the following information; the year cooperative was established, number of members when established, current number of members, number of board of directors when established, current number of boards, number of full time employee when established, current number of employees, share capital of members when established, current share capital, value of asset when established and current value of assets. In question 12, the cooperatives were asked to list the main activities of their cooperative when they were initially formed. For question 13, the cooperatives were requested to indicate their current activities.

In the second part of the questionnaire, the cooperatives were requested evaluate the effectiveness of the assistance programs provided by the three cooperative supporting agencies. The three agencies included; the Malaysia Cooperative Societies Commission (MCSC), the College Cooperative of Malaysia (CCM) and the National Cooperative Organization of Malaysia (NOCM). In the questionnaire, 32 items were designed to capture the respondents' assessments of the 32 types of assistance and services offered by the MCSC. Another 23 items were adopted to assess the effectiveness of the 23 types of assistance and services provided by the CCM. The remaining 11 items were used to appraise the 11 assistance and services provided by NOCM. The respondents were asked to indicate their agreement with each item on a five-point scale as follows: ranging from (1) strongly disagree to (5) strongly agree.

THE RESULTS

Profile of the Respondents

In the study, the data was collected from 92 cooperatives. The questionnaires were answered by the managers, executives and board of directors of the cooperatives. Of the 92 respondents, 43 were managers, another 26 were executives and the remaining 23 were the directors of the cooperatives. Of the 92 cooperatives that were involved in the study, 65 were adult cooperatives and the remaining 27 were school cooperatives. Of the 65 adult cooperatives, seven cooperatives operated in Penang, another 32 cooperatives operated in Kedah, and the remaining 26 cooperatives operated in Perlis. Of the 27 school cooperatives, nine were located in Penang, another four in Kedah and the remaining 14 were located in Perlis. The following section presents the results of the evaluation of the assistance programs provided by the Malaysia Cooperative Societies Commission (MCSC), the College Cooperative of Malaysia (CCM) and the National Cooperative Organization of Malaysia (NOCM).

Assistance Provided by the MCSC

The Malaysia Cooperative Societies Commission (MCSC) is the main agency responsible for regulating the development and growth of cooperatives in Malaysia. As the regulatory agency, MCSC provides 32 different types of assistance and services to the cooperatives in the nation. The means and standard deviation scores of the 32 assistance and services as evaluated by the respondents are presented in Table 1. The figures in Table 1 indicate that the mean values of the assistance and services provided by MCSC ranged from 4.04 to 4.27. These results suggest that in general the cooperatives agreed that the assistance and services provided by MCSC are effective.

Assistance Provided by the CCM

In addition to the various assistance provided by the Malaysia Cooperative Societies Commission (MCSC), the College Cooperative of Malaysia (CCM) specifically caters to the education and training needs of the cooperatives. The CCM offers at least 23 types of education and training programs. Table 2 below summarizes the means and standard deviation scores of the 23 education and training programs as evaluated by the respondents. As shown in Table 2, the mean values ranged from 3.95 to 4.10. In general, these results indicate that the education and training services provided by the CCM are viewed as effective by the cooperatives involved in this study.

Assistance Provided by the NCOM

As the apex cooperative in the country, the National Cooperative Organization of Malaysia (NCOM) offered 11 kinds of assistance and services to its member cooperatives. The means and standard deviation scores of the 11 assistance and services as appraised by the respondents are presented in Table 3. The figures in Table 3 show that the mean values ranged from 3.81 to 4.10. At the general level, these results show that the cooperatives that participated in this study perceived the assistance and services provided by the NCOM as effective.

Table 1 Mean and Standard Deviation (SD) Scores of the Assistance Provided by MCSC

Assistance	Mean	SD
Unsecured Financing (<RM50, 000)	4.26	1.043
Secured Financing (RM50, 001 <10 Million)	4.11	1.042
Working Capital Loan - Consumers	4.04	1.076
Working Capital Loan - Contract Workers	3.86	1.128
Working Capital Loan - Services	4.14	.977
Working Capital Loan - Ar-Rahnu/Credit	4.10	1.055
Property Development - Bridging Loan	4.14	.989
Property Development- Premium Payment	4.19	.956
Property Development – Development Cost	4.19	.993
Property Ownership – Purchase of Land	4.12	1.017
Property Ownership - Renovation / Repair	4.24	.919
Property Ownership – Building Construction	4.19	.993
Transportation	4.18	1.014
Agro-based	4.18	1.002
Agriculture	4.18	1.002
Industry	4.19	1.006
Machine/Equipment	4.22	1.013
Basic Assistance - Physical assistance (maximum of RM30, 000)	4.26	.958
Basic Assistance - New Co-operative (Maximum RM30, 000)	4.31	.931
Reinforcement / Enhancement Assistance (Maximum RM30, 000)	4.27	.936
Market Assistance (Maximum RM300, 000)	4.21	.970
Research and Development Assistance (Maximum RM300, 000)	4.18	1.008
Co-operative Emergency Relief Fund	4.27	.974
Guidelines For The Establishment Of Ar-Rahnu	4.08	1.050
Ar-Rahnu Implementation Guide	4.11	1.012
Guidelines For The Establishment Co-operative	4.21	.879
Cooperative Grievance Procedure	4.23	.923
Business Matching Programme	4.15	.976
External Auditors Guide for Applying to Audit Co-operatives	4.14	1.088
Index Guide to Malaysia Best 100 Co-operatives	4.15	.976
Directory of Entrepreneurs	4.18	.920
Tribunal Case Reference	4.15	.963

Table 2 Mean and Standard Deviation (SD) Scores of the Assistance Offered by CCM

Assistance	Mean	SD
Degree Programme - Bachelor in Cooperative Management	4.06	.910
Diploma Programme in Cooperative Management	4.10	.926
Professional Diploma Programme in Cooperative Audit (MKM-ICMA)	4.08	.908
Certificate Programme in Cooperative Management	4.10	.900
Short Courses	4.08	.934
In-House Training – Legal Aspect of Cooperative	4.06	1.010
In-House Training – Administrative Aspect Cooperative	4.15	.951
In-House Training – Financial Management	4.13	.967
In-House Training – Accounting	4.15	.951
In-House Training – Computer	4.24	.900
Malaysian Technical Cooperatives Programme	4.07	.954
Other Programme – Executive/CEO/ Leading Person Forum	4.06	.827
Other Programme – Seminar	4.15	.898
Other Programme – Workshop	4.14	.894
Other Programme – Alumni	4.02	.957
Research and Publications – Dimensi	4.01	1.000
Research and Publications – Management Series	4.02	.969
Research and Publications – Monographs	3.95	.993
Research and Publications – Journal	3.95	.993
Research and Publications – Annual Report	3.99	1.047
Scholarly Collection	4.02	1.029
Research	4.01	1.070
Research and Publications Guide	3.99	1.103

Table 3 Mean and Standard Deviation (SD) Scores of the Assistance Offered by NCOM

Assistance	Mean	SD
ANGKASA Tabarru' Scheme	3.81	1.124
Infaq Lil-Waqf	3.85	1.135
ANGKASA Educational Loan Fund	3.94	1.155
ANGKASA Salary Deduction System	4.04	1.046
ANGKASA Registration System and Digital Voting System	3.90	1.126
ANGKASA Computerized Management System	3.88	1.124
ANGKASA Cahaya Mata Child Care Nursery Courses	3.93	1.138
SEKKOP Software	4.10	.939
Recovery and Enhancement Services	3.95	1.118
Rental of Auditorium	3.82	1.055
Zakat Collection Agent	3.93	1.159

DISCUSSION AND CONCLUSION

The purpose of this study was to evaluate the effectiveness of the various assistance programmes provided to the cooperatives in Malaysia. More specifically, the study evaluated the assistance offered by the three cooperative supporting agencies in the country. The agencies included; the Malaysia Cooperative Societies Commission (MCSC), the Cooperative College of Malaysia (CCM) and the National Cooperative Organization of Malaysia (NCOM).

The study assessed 32 different types of assistance and services provided by the MCSC. The results of the study suggest that the cooperatives agreed that the assistance and services provided by MCSC are effective. In addition to the MCSC, the CCM provided at least 23 different types of education programme and training services to the cooperatives. The results also indicate that the cooperatives perceived that the education programmes and training services provided by the CCM as effective. As for the NCOM, this agency provided at least 11 types of assistance and services. Accordingly, the results of results show that in general the cooperatives viewed the assistance and services provided by the NCOM as also effective.

Based on the results of the study, it appears that the cooperatives in general perceived the assistance and services provided by the three cooperatives supporting agencies as effective. The empirical information generated by this study suggests not only awareness of the assistance and services but also their usage among the participating cooperatives.

As a whole, the findings of this study offer the following managerial implication for the cooperatives as well as the three supporting agencies. The findings of this study appear to suggest that the three cooperative supporting agencies and their assistance as well as services have attracted and reached the cooperatives. These supporting agencies should not only maintain their assistance and services but also attempt to further improve them based on the suggestions made by the cooperatives in the study. A basic challenge for the supporting agencies would be to match the right assistance programmes and services with the specific needs and problems faced by the cooperatives. Matching the assistance programmes and services to the specific needs of the cooperatives would require the supporting agencies to provide the right information to the right cooperative at the right time.

Despite the quantitative significance of the cooperatives, empirical research in this area remains limited in the Malaysian context. This suggests opportunities for further research, particularly in terms of exploring the nature of cooperatives and their important role in the Malaysian economy. Examining certain aspects of the present work present a good starting point for future research. Certainly, the other types of assistance programs which this study did not address would present as research opportunities to be investigated further. For instance, it is important to note that the supporting agencies and assistance programs as well as services observed in this study may not necessarily be available to cooperatives involved in certain activities and industries.

Furthermore, although the findings of this study suggests that the cooperatives viewed the assistance and services as effective, these conclusions is based on one study and as such should be regarded as only suggestive. More empirical research is therefore needed and will be particularly useful in providing more empirical evidence to support the notion that the available supporting agencies and assistance programmes are indeed effective in helping the development and growth of cooperatives in the Malaysian context.

In summary, there is a further need to conduct more studies on cooperatives, the cooperative supporting agencies and the assistance programmes, particularly in the context of different business segments such as wholesaling, retailing, business services, and construction in order to develop a more comprehensive understanding of the performance of the cooperatives, the supporting agencies and the effectiveness of the available assistance programmes. This is particularly important in the Malaysian context, where as a field of study, cooperatives have not received much research emphasis.

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