

NATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY

FACULTY OF INDUSTRIAL TECHNOLOGY

RESEARCH PROJECT

**Factors Underlying The Poor Performance of Co-operative Enterprises
run by VTC graduates in the Midlands**

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ABSTRACT

Co-operative enterprises play an important role in developing countries through employment creation and ultimately poverty reduction. For this reason they are increasingly being instrumentalised as a means of achieving given developmental objectives. With the high unemployment and down sizing in companies due to the hyperinflationary nature characterizing the Zimbabwe economy, self-employment and cooperative enterprise promotion may be the panacea. The purpose of this study was to analyse factors that underlie the poor performance of cooperative enterprises run by VTC graduates in the Midlands from 2004 – 2006. Special emphasis was given to the identification of a solution to the poor performance and subsequent collapse of the majority of these enterprises. The government of Zimbabwe, in combination with other donor agencies pour lots of money with the aim of improving the well being of Zimbabweans. However despite all this, cooperative enterprises continue to fail. Factors such as cooperative training, remuneration, principles, marketing and costing and monitoring were among major challenges. Supportive literature was collected from magazines, books and journals. A survey was also carried out to collect data on variables of interest through questionnaires and interviews. Recommendations made here in were deduced from the inherent findings and discussions from the reviewed literature and gathered research data.