



IMPACT OF FOLLOWERSHIP ON MEMBERSHIP SATISFACTION IN CO-OPERATIVE SOCIETIES

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ABSTRACT

The *co-operatives* are user-owned, user-controlled and user-benefit organizations. There is a thin line between the members, followers and leaders in co-operative organizations. This paper aims to explicate the role of followership behaviour on membership satisfaction as well as the co-operatives performance that may moderate the relationship. This is a qualitative study that utilized both primary and secondary data including: co-operatives financial audit reports and annual general meetings minutes, observation and interviews of co-operatives' members. The study investigated how performance, interact with followership behaviour for member satisfaction. The paper found out that, members' effective followership perceived greater membership satisfaction when organizational performance was high, since they are also the co-operative owners. The limitation of this paper is that the study is based only on organizational performance of donor-initiated co-operatives which have more of ineffective followers than effective followers. Thus, more studies are needed to validate the causal directions of the findings. The present findings show that effective followership had greater relationship with membership satisfaction when organizational performance was high. For high engaged members (active followers) in organizations, leaders should emphasize high performance orientation of the organization. This study contributes to the broader literature in leadership and co-operative sector; as it tests the moderating role of organizational performance factor on the relationship between followership and member satisfaction in organizations.

Keywords: member satisfaction, followership, organizational performance.

Chapter One

Introduction and Background Information

1.1 Introduction

A co-operative is an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly owned and democratically-controlled enterprise (ICA, 2016). Co-operatives are organized around three general principles of “use”: 1) The User-Owner Principle, those who own and finance the co-operatives are those who use the co-operative; 2) The User-Control Principle, those who control the co-operatives are those who use the co-operative; and, 3) The User-Benefits Principle, co-operative purpose is to provide and distribute benefits to its users on the basis of their use.

Like many other organizations, effective leadership in co-operatives cannot be overemphasized for organizational performance; in rapidly changing and constantly adapting organizational missions, technological developments and different priorities and values, catching up with the multiple realities facing the organizations (Küpers, 2007). In co-operative’s leadership, there is a thin line between the followers and leaders; thus study and practice of followership is important. Organizations stand or fall partly on how well their leaders lead, but partly also on the basis of how well their followers follow (Kelley, 1988). According to Howell and Costley (2006), followership is an interactive role that individuals play to complement the leadership for achieving group and organizational performance.

1.2 Problem Statement

In co-operatives, more than other types of organizations, followers have an active role to play in the leadership process for at least two reasons: first without followers, no one can be a leader; second, all leaders are followers at times (Yukl, 2010). This is a typical illustration of symbiotic and inseparable nature of the relationship between leaders and followers in co-operatives. Followers should overcome their passivity by becoming central in leadership through offering suggestions to their leaders, challenging leaders’ assumptions, and going above-and-beyond their roles (e.g. Blanchard et al., 2009; Kelley, 1992).

However, during the respective co-operative annual general meetings, there have been cases of limited participation of members. The respective co-operative audit reports also indicate members’ low savings, loan defaults, lack of patronization of co-operative marketing services, and non-participation in education forums and questioning management. The co-operative leaders maintain it is because of the inactive members, while the members pose that the

organizations are not performing because inadequate services and mismanagement. In this regard, the followership role in membership satisfaction in co-operative organizations merits further study hence the importance of this study.

1.3 Research Purpose and Objectives

Based on the identified research problem and research gap, the proposed study sought to explore how the followership role impact member satisfaction and how followership skills practiced by co-operative members enhance organizational performance and sustainability. In this regards, the proposed study sought to meet the following research objectives:

1. To assess the effect of followership on membership satisfaction in co-operatives;
2. To assess the impact of organizational performance on relationship of followership and membership satisfaction in co-operatives and
3. To recommend possible ways in which the followership skills can be improved to enhance co-operative member satisfaction

1.4 Study Questions

This study examined the impact of increased follower involvement in organizational leadership for member satisfaction. The study was guided by three questions:

1. Do followership affect membership satisfaction in co-operatives?
2. Does the organizational performance affect relationship of followership and membership satisfaction in co-operatives?
3. What are ways to improve followership skills among co-operative member?

1.5 Conceptual Framework

The study was conceptualized as in the framework illustrated in Figure 1. The figure depicts the research design model demonstrating the relationship between effective followership and perceived greater membership satisfaction, when the preferred organizational performance is high.

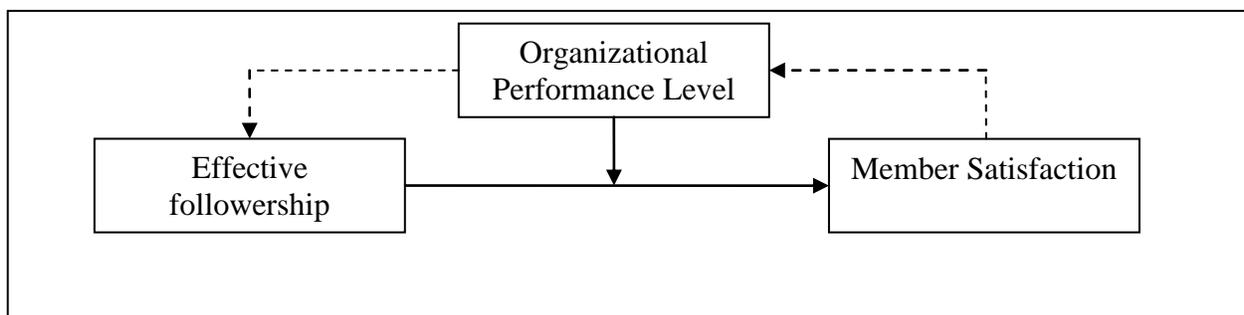


Figure 1.1: Conceptual Framework
Source: Author

1.6 Justification of the Study

Studying followership in the co-operative organizations was of particular importance because: co-operatives play a vital role in in such specific areas as filling input and output market gaps (Royer, 2014), and financial gaps (Marwa & Aziakpono, 2015) either on short or long term. They contribute significantly to rural economic development (Dondo, 2012; Bello, 2010) whilst building social capital (Richards & Reed, 2015; Poole & Donovan, 2014). Conventional co-operative organizations are associated with free-rider, horizon, portfolio, and control problems (Ortmann & King, 2007). These issues makes the perception of members/followers as “unquestioningly and blindly obeying sheep” which would not work in today’s “complex and fast-paced mobile society” (Dixon & Westbrook, 2003, p. 20). Nonetheless, co-operatives are going through structural and systems changes, to what is referred to as New Generational Co-operatives (NGC) (Ortmann & King, 2007), where active member/followership role is central. Despite the active and newly invigorated roles given to followers, studies focusing on this topic are limited, and it is critical to discover followership impact on member satisfaction in co-operative societies.

Studying membership satisfaction was of particular importance because many studies have reported that the non-performing and unsustainable co-operatives eventually lose membership due to their dissatisfaction with the low organizational performance (Marwa & Aziakpono, 2015; Dondo, 2012). Thus, building a satisfied members remains a critical issue and is a vital element of maintaining strong membership in co-operative societies. Despite the aforementioned critical role of both followership and membership satisfaction in the co-operative, there is limited studies that examine the relationship between followership and

member satisfaction in co-operatives. Because followers are so critical to the success of contemporary organizations, their satisfaction is both a vital process measure for an organization, as well as an end result in itself (Trottier et al., 2008). In relation to co-operatives, high (membership) satisfaction results in lower members-withdrawal and fewer unexcused absences (Vroom, 1964), and could lead to a better quality of output and to a healthier (co-operative) organizations.

Finally, investigating organizational performance as a situational factor conditioning followership, was important. Based on the previous research and theory, the study considers perceived organizational performance. Applying the situational leadership theory (Hersey & Blanchard, 1969), high organizational performance increases the magnitude of followership's impact on member satisfaction. This is because members who are actively participating and thinking independently will attribute greater variance in their membership satisfaction to their followership behaviours.

1.11 Chapter Summary

Based on the role smallholder co-operatives play in empowerment of rural-folk, their growth and sustainability is of importance. Followership and leadership is important for co-operative relevance, growth and sustainability. Many leadership issues have been studied but many smallholder co-operatives still underperform or are unsustainable. Focus on followership studies is critical to address co-operative organizational performance, hence the need for the study undertaken.

Chapter Two

Literature Review

2.1 Introduction

This chapter provides an overview of the extant literature about followership. The chapter also presents the background of followership in organizations. Additionally, satisfaction of stakeholders of organizations and organizational performance. Finally the chapter explains the existing research gap that this study seeks to fill.

2.2 Definition of Followership

There are many definitions of the concepts of follower and followership. According to Howell and Costley (2006), followership is an interactive role that individuals play to complement the leadership for achieving group and organizational performance. Kellerman (2008) define

followership as “the response of those in subordinate positions (followers) to those in superior ones (leaders). Followership implies a relationship between subordinates and superiors, and a response of the former to the latter” (p. xxi). Followership is the capacity and/or willingness to follow a leader. The followership can be based on: active or passive engagement, and/or critical or dependent thinking.

2.3 Followership and Membership Satisfaction

In pioneering followership theory, Kelley (1992), views followers as active courageous individuals who can formulate their own meaning of life and whose main goals are to cooperate for organizational success. The argument is that organizational success is not solely dependent on dynamic leaders but that followers are active rather than passive who contribute to the betterment of member and organizational well-being.

The followership theoretical roots can be found in several existing theories (e.g. Leroy, et. al., 2015; Vondey, 2008, as cited in Jin, et. al., 2016). For example, using self-determination theory as a guiding framework, which postulates that individuals have inherent growth tendencies and are motivated behind the choices that they make without any external influence and interference; Leroy, et. al., (2015) describes that “good followers” (Sergiovanni, 2007) find a reason and strength to complete a task, without influence from other people or situations. Followership theory is based on dimensions of active engagement and independent critical thinking.

First, followers who engage in independent critical thinking analyse the information given to them, meticulously evaluate situations and actions, and make judgements independent of the political consequences of decisions (Kelley, 1992; Latour & Rast, 2004). In regard to cooperatives, Dowd and Bolus (1998) argue that critical thinking can improve health outcomes of people in stressful situations. According to Blanchard, et. al., (2009), engaging in critical thought is effortful and involves extra work on the part of the follower, which should lead to cognitive dissonance and subsequent effort justification.

Secondly, followers who are actively engaged take initiative, assume ownership, and actively participate in performing their role. These individuals assume responsibilities beyond their minimum role requirements and exert considerable effort to accomplish goals (Kahn, 1990). Individuals who demonstrate active engagement go above and beyond expectations, proactively participate in activities, and provide high-quality work. Active engagement has also attracted a substantial amount of attention recently (Macey & Schneider, 2008). It is considered highly

motivational (Schaufeli, et. al., 2002) and has been linked to increases in health outcomes (Schaufeli, & Bakker, 2004) as well as increased satisfaction, organizational commitment, and decreased member withdrawal (Salanova et al., 2003; Schaufeli et al., 2002).

Based on these characteristics of followership behaviours, Howell and Costley (2006) theorize how effective followership may increase (membership) satisfaction. First, they note that followership role fulfils important personal needs for individuals, because it provides for comradeship with valued others by serving them, and thus helps satisfy one's social needs and confirms a favourable self-concept for many people. Subsequently, fulfilling effective followership roles satisfies individual needs for self-esteem as it provides for personal growth by helping them become more mature and effective performers (Vondey, 2008). In essence, effective followers are defined as people with vision and the social capacity to work well with others, have the strength of character to flourish without heroic status, and the desire to participate in a team effort for the accomplishment of some greater common goal

Even though there are limited studies that link followership to member satisfaction in co-operatives, several scholars suggest that followership behaviours will result in increased motivation, satisfaction, and feelings of empowerment (Howell & Costley, 2006). According to Blanchard, et. al., (2009), effective followership has positive influence on satisfaction. In light of these issues and calls, this study hypothesized that, membership satisfaction is positively related to effective followership.

2.4 Organizational Performance on Effective Followership

Study research on the effects of followership had not given much attention to moderating influences until the works of Jin, et. al., (2016). This study considered the influence of performance factor, which is often conceptualized as a theoretical extension of perceived organizational support (Jin, et. al., 2016; Eisenberger & Stinglhamber, 2011). The study choice of performance as a moderator, has demonstrable relevance to co-operative's relevance, growth and sustainability. Thus, the study explored how organizational performance moderate the effect of effective followership for membership satisfaction.

Organizational performance measures perceptions about performance-based accountability and performance incentives such as dividends, bonuses, market linkages, loan collection, education and trainings. Even though co-operative organizations faces considerable challenges (Ortmann & King, 2007), the performance orientation is advocated to break these characteristics (Barzelay, 1992 as cited in Jin., et. al., 2016). This would improve both co-

operative's operation and membership satisfaction and motivation (e.g. Yang & Kassekert, 2009).

According to Bjugstad, et. al., (2006), a (member) follower's motivation is a function of environmental and internal factors. To increase follower's motivation, an organization needs to create a results-oriented environment with genuine concern for its followers and provide performance-related reward. Although active followers motivate themselves primarily by their own ambition (Bjugstad et al., 2006), the followers also determine their motivation by reflecting on matching the level of their effort to what type of recognition or reward they might receive, and whether that reward will be worth it. This is consistent with Kelley's (1992) conceptualization of active followers who are not only exemplary but are also pragmatic in terms of having clear expectations and needing satisfaction with the outcome(s) they receive. In light of these issues and calls, this study hypothesized that: the relationship between effective followership and membership satisfaction will be stronger with perceived high levels of organizational performance (i.e. distributive justice).

2.5 Discussion of Independent and Dependent Variables within Study Design

This study's design construct used perception as the independent variable and preference as the dependent variable. The questionnaire was designed to first focus on the perceived followership and performance and subsequently on the preference of membership satisfaction. This design sequence reflected the thought that perception predicates preference between two choices, in this case being in being a satisfied member of performing co-operative, or remain dormant.

Perception is a cognitive process used to interpret and understand surroundings. Object perception is focused on understanding objects, while social perception is focused on the process of "how people make sense of other people and themselves" (Kreitner & Kinicki, 2013, p. 181). The perception process can be described in four-stage information-processing sequence consisting of attention through conscious awareness, interpretation through the use of schema, retention into memory, and retrieval for judgment and decision (Lord, 1985). For example, social perception allows one to develop an understanding of their relationships with others within organizational contexts, and this study utilized perception allowing each respondent to develop a sense of the level of followership relationship with their membership satisfaction.

2.6 Chapter Summary and the Research Gap

According to various studies that have focused on followership among employees in public and private organizations, and not on members of the member-based organizations such as co-

operatives. The use of followership has been enhanced the satisfaction and performance of employees and not owners/members. Jin, et. al., (2016), while studying on followership and employee satisfaction in public organizations, suggested that more research be done on situational factor for followership. Despite membership importance in co-operatives, very few efforts have been made to investigate the co-operative followership performance. Specifically, no literature exists on the followership in smallholder co-operatives leaving a vacuum that this study sought to fill.

Chapter Three

Research Methodology

3.1 Introduction

This chapter covers the methodological framework that the researcher adopt in conducting the proposed study. The chapter presents the research design, the sample size and sampling techniques, tools that was used to collect data, and the approach that was used in the analysis of the collected data.

3.2 Research Design

This is a qualitative study aimed at establishing the relationship between followership practices and membership satisfaction, with organizational performance as a moderating factor. The design is appropriate and economical given limited time and resources (Kothari, 2004).

3.3 Sampling Technique and Population Size

Membership management in co-operatives is vital. It is one of the key indicators of co-operative success. The population in this study consisted of active members of co-operative organizations in Kenya. The study used systematic, cluster and area sampling techniques (Kothari, 2004) to come up with a sample of 55 most active members from 11 Youth Savings and Credit Co-operative Societies (SACCOs) in Rift Valley and Central Regions of Kenya; who had also been in the SACCOs for at least 18 months. The SACCOs were initiated under the USAID Yes-Youth Can! Project supported by Mercy Corps, Kenya. This was because, of time and resource constraints.

3.4 Data Collection Methods

To meet the objectives of the study both primary and secondary data were required and it comprised qualitative approach. Secondary data was obtained from various sources such as: academic literatures and past researches on followership and organizational leadership (books,

and journals); and co-operatives' AGM minutes, audit reports and active members' financial statements.

Primary data was obtained from sampled co-operatives through interviews process conducted between June and July 2016, using a semi-structured questionnaire (Griffie, 2012). With the exclusive member information of the most active members based on shares, savings, business activities, and loan repayments; 54 members expressed their views during the study. Interested members responded to questionnaires, face-to-face interview and focused group discussion (FGDs) to gather more in-depth information. After excluding non-respondents, the sample consisted of 54 members (21M and 33F member/followers) from 11 co-operatives. The researcher also used observations method while attending the respective co-operatives' AGMs in 2016 and followed the meetings' proceedings to avoid biasness and capture what was actually happening.

3.5 Data Analysis

Once the data had been collected, the data was processed and analyzed using descriptive and correlation analyses. The descriptive analysis enabled the presentation of descriptive statistics (frequencies and percentages) such as membership of membership composition and activeness, membership satisfaction, followership and influence of organizational performance on effective followership and membership satisfaction. Descriptive statistics was be used to characterize and understand the members activeness in respective co-operatives activities and their satisfaction as members. The correlation analysis enabled joint variation of followership and membership satisfaction to determine the amount of correlation between variables (Kothari, 2004).

The researcher conducted a less formal assessment, and data collected was not subjected to rigorous statistical procedures. It was non-experimental hypothesis-testing research, as the independent variable of followership was not manipulated.

Chapter Four

Findings and Discussions

4.1 Membership

The reports showed that the newly formed co-operatives had high female (57%) to male membership. There was an average of 29 per cent active (i.e. 22%M and 36%F) membership compared to 71 per cent dormant (i.e. 78%M and 64%F) membership. This could be due to limited economic opportunities and co-operative education and experience for the youth to

engage and voice their issues in the co-operative. There was also much dependency on the donor projects.

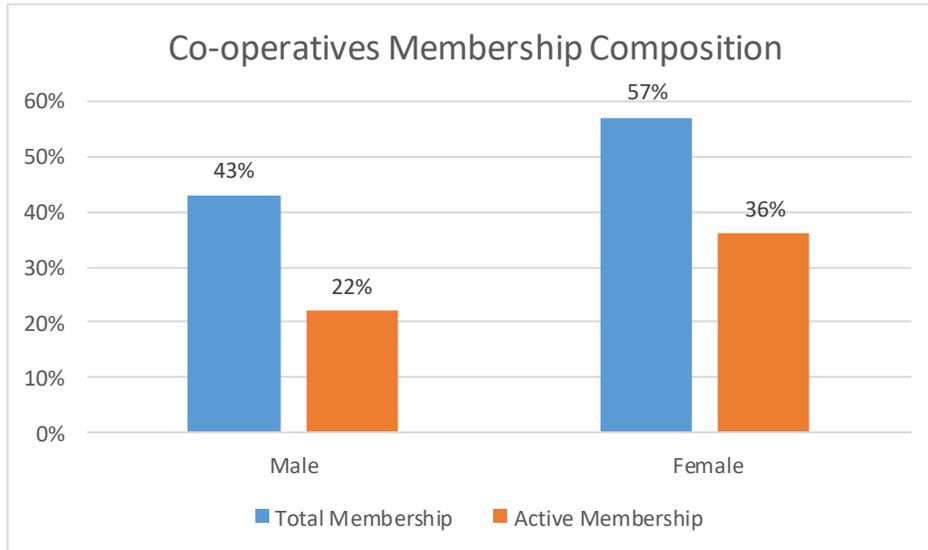


Figure 4.1: Co-operative Membership Composition

All the active members and only 24% of dormant members attended the AGMs, in which one agenda was co-operative financial audit reports of the previous year indicating that 64 per cent of co-operatives had surplus, but could only plough back to capital and not give dividends yet. During the AGM proceedings, the highest number of contributors to the motion were active members (96%) because they had information due to their active engagements. The active members accounted for 79 per cent of the co-operatives' share-capital and savings, 67 per cent of loan portfolio and 97 per cent of marketing activities and 98 per cent attendance of education and general meetings. This indicated distributive justice, such that, as one actively engaged and contributed to organizational business, one benefitted from loans, education programs, market linkages and qualification for elective position.

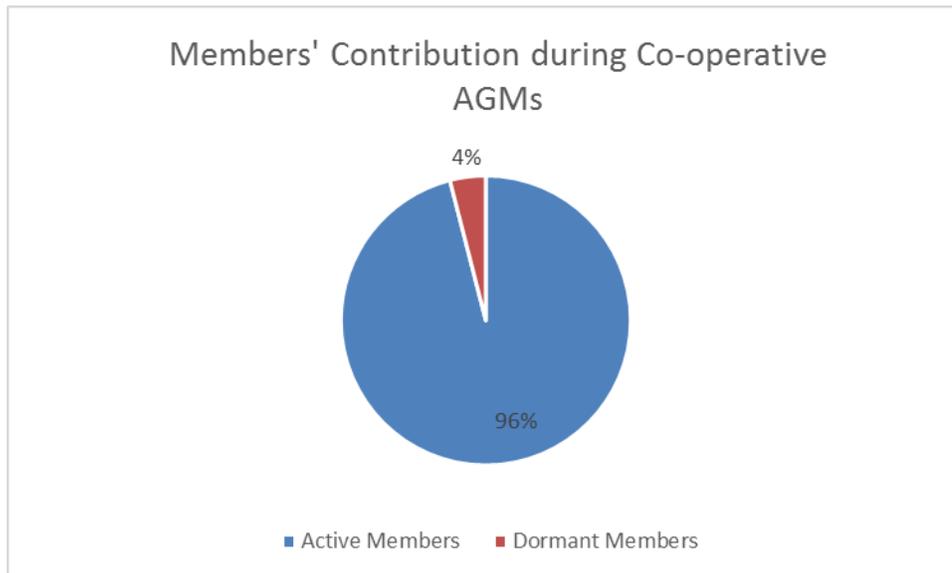


Figure 4.2: Members' Contribution during Co-operative AGMs

In addition, the active members interviewed on their effective followership, membership satisfaction and organizational performance; and the following were the results:

4.2 Membership Satisfaction

All the sample active members were satisfied with being the members of their respective co-operative. Specifically, active members (98%) stated that their membership enhances feeling of personal development and responsibility. They would therefore recommend their co-operative to friends and relatives to become members as a show of satisfaction with their membership in their co-operatives. This is increasing active membership who gradually overtake the dormant founder-members, actively undertake followership role to increase the performance of the organizations, and hence the continuity of the feedback loop for organizational relevance, growth and sustainability.

4.3 Effective Followership

The active members considered the reasons of intellectual agreement (96%) and buy-in of the co-operative idea (98%) to be followers within their respective co-operatives. They are able to contribute to the management issues. They however, perceived that the dormant members had only the fear retribution (89%) of donor projects implemented through the co-operative providing handouts, and/or blind hope (91%) since the co-operatives were initiated out of the donor-funded project, and dormant members had fear of the leaders (94%) who were more exposed than them or were relatives or friends.

The active followers exhibited self-management (94%) in their business and farm activities, as most of them were employed or having thriving businesses; committed (93%) to their co-operative activities such as attending meetings, savings, accessing loans and promptly loan repayments; competent and focused (96%) on managing their businesses; and courageous (98%) to correct the co-operative leaders during the meetings, questioning the co-operative reports and services.

The active members felt that their beliefs and abilities are well used (94%) in their respective co-operative; knew how their personal economic activities related to the co-operative's goals and priorities (98%); felt encouraged to come up with new and better ways of doing things which would be replicated by other members (93%); and could disclose a suspected violation of any law, rule or regulation without fear of reprisal (98%).

4.4 Organizational Performance

The active members (91%) agreed that the co-operative were offering service delivery by providing loans and linking them to markets; though not maximally given their infancy of less than three years of operation. The co-operative performance in service delivery was a key reason they were active as a members and followers, in undertaking co-operative responsibilities. They believe the co-operatives have no preferences of individual members but follow the laws and policies to serve them. Active members (78%) felt that they were being recognized by respective co-operatives for providing high savings and loan repayment through certificates of appreciation, issued during AGMs.

However, the active members (96%) wanted the leaders to lead by example to command respect, and develop and implement strong solutions as per their respective strategic-business plans. This would ensure most members become active to buy-in the co-operative vision, and participate in managing the required change.

Chapter Five

Summary of Findings, Implication, Limitation, Further Study and Conclusion

5.1 Findings Summary

This study sought to achieve a better understanding of the relationship between followership role and membership satisfaction in co-operative organizations, by considering the moderating role of organizational performance. The study found that, fulfilling effective followership role has significant positive influence on member satisfaction. The findings also show that the

demonstrated influence of effective followership on membership satisfaction is high by the high co-operative performance. This affirms the two study hypotheses.

Drawing from Kelley's (1992) followership research, this study demonstrated that effective followership has significant positive influence on individual satisfaction in organizations. This relationship has been theoretically argued in a few number of studies (e.g. Hurwitz & Hurwitz, 2009; Howell & Costley, 2006), and empirically established (e.g. Jin, et. al., 2016; Blanchard, et. al., 2009). Thus, these findings add to the substantially under-researched aspect of the literature on the followership by establishing a positive relationship between followership and membership satisfaction by extending followership theory to co-operative organizations and shareholders.

More importantly, the findings of the interaction effects were shown to be in conformity with study's theoretical reasoning. The study shows that members highly engaged in the co-operatives' responsibilities expressed stronger membership satisfaction when the perceptions of performance orientation of their organization were high, rather than low. This is suspected, in part, because members' followership roles, though performed voluntarily but mostly because the members are also the owners of the co-operative. This is in contrast to what Jin, et. al., (2016) had established by studying the US federal government employees' followership and job satisfaction. They had found out that employees highly engaged in the work expressed stronger job satisfaction when the perceptions of performance orientation of their organization were low, rather than high. Greater indication that the type of organization's stakeholder (employee or member-owner), followership relation to satisfaction is different in different organizations (public or co-operatives), cultures and situations (US or Kenya).

Further, the high emphasis on organizational performance by the co-operative organization enhances the many aspects of activities that active followers perform, as co-operatives' responsibilities. These results are important because until now, the role of situational factors had not been given much consideration in the followership and membership satisfaction equation in co-operative organization. The findings of active member-followership in co-operative organizations exemplified personal results and co-operative responsibilities which fitted more to the Hersey and Blanchard's Situational Leadership Quadrant of Delegation Leadership Style (Bjugstad, et. al., 2006). Effective followership would result to effective participatory leadership of the co-operative organizations which exhibit greater "political-system" metaphor (Morgan, 2006).

5.2 Practical Implications

The study is insightful for leaders of the co-operatives to spur organizational performance, which strongly spur effective followership for membership satisfaction. This is because, co-operative organizations lose members due to their dissatisfaction with co-operative performance (Marwa & Aziakpono, 2015; Dondo, 2012). Although recent trends in change to New Generation Co-operatives structures have given a wider range of co-operative members the opportunity to share power and responsibility (Ortmann & King, 2007), study was previously lacking on whether these new challenges were considered as risks to be avoided or as potential opportunities for structural empowerment (i.e. effective followership). While further studies are needed to validate these findings, the fact that evidence shows strong positive affiliation between effective followership and membership satisfaction, it can be used as a testament that taking on more effective followership roles is not a stressful work for members, and it instead increases emotional attachment to their co-operative organization. Thus, organizations may devote more resources to help develop and sustain their member-followership skills, which can increase membership satisfaction and subsequently reduce member-withdrawal as it would be for employee turnover (e.g. Hurwitz & Hurwitz, 2009; Pandey, et. al., 2007). This could lead to co-operative continuous relevance, performance and sustainability.

More importantly, co-operative leaders need to be made aware that not all members demonstrates followership at a high level. Consequently, knowing who their members are and what their levels of followership skills are, will be critical to ensuring the success of leadership actors in terms of keeping membership satisfaction of followers at an optimal level. Co-operative members who demonstrate effective followership are those who take initiatives and derive satisfaction through their own motivation and action (e.g. Bjugstad et al., 2006), and their actions can lead to even greater impact on their emotional attachment to the co-operative organization when leaders ensure organizational performance. By identifying those members whose followership skills are low, leaders will be better able to focus on those who need such guidance and continuous education.

Finally, it is important that co-operative organizations are seen as continually providing justice in terms of the decisions to distribute resources fairly as it invigorates the favorable effects of effective followership for membership satisfaction (Brown & May, 2012; Muchiri, et. al., 2011). Overall, this empirical analysis provides co-operative leaders with a unique understanding of the preferred leadership style of active followers: more information sharing and

education meetings is preferred, while making sure that members' co-operative responsibilities are recognized fairly by the co-operative organization.

5.3 Study Limitations

Several limitations of this study pertain to the population, sample, and the data analysis method used to examine the relationship between variables. The sample consists of active members of the 11 co-operatives studied.

First limitation of this study, is the inability to generalize the results across other co-operative organizations and cultures due to the uniquely Kenyan culture of the youth co-operatives used as the test population and sample – the Youth SACCOs initiated by a donor funded project. One recommendation is to construct a similar study, using a different population type to explore the research question across different cultures and types of co-operative organizations.

Secondly, the study items did not contain a tested scale for some of the constructs, so proxies were used. Data was also not subjected to rigorous statistical procedures. Although the assessment of the measures provided support for the reliability, validity and practicality in the study, future research could investigate these constructs using instruments originally designed specifically for them.

Thirdly, the use co-operative AGM minutes and audit reports as source of data, might raise some concerns about common method variance. Although the findings shows that the potential common method bias is not serious, future studies could greatly benefit by utilizing other sources for evaluating membership satisfaction to reduce the likelihood of common method variance (Lovelace, et. al., 2001).

5.4 Future Studies

These limitations notwithstanding, the present study makes two important knowledge contributions. First, this study is significant as it addressed identified gaps in the existing literature in co-operatives and responded to calls for research. The study's focus from the perspective of the follower addressed researchers' assessments that research in leadership studies has been predominantly leader-centric and there exists a need for research aimed toward followers (Lord & Emrich, 2001; Yukl, 2002; Dvir & Shamir, 2003; Jin, et. al., 2016). The use of the follower's perception of their relationship with their leader as the independent variable addressed Dvir and Shamir (2003) concern about the lack of research using follower's characteristics as independent variables. The study's research question and findings directly

addressed the Jin, et. al's., (2016) assessment that our knowledge is deficient in the topic of followership and stakeholder (employee) satisfaction in organizational performance orientation, and this study expanded the knowledge in the topic to members/shareholders.

Second, these findings are significant to researchers in that they demonstrate the relationship between followership and membership satisfaction in member-based organizations such as co-operatives, which had not been previously addressed in research. These two contributions provide a pathway for future research toward gaining a greater understanding of followership, stakeholders' satisfaction, and (co-operative) organizational performance.

5.5 Conclusion

The main objective of this study was to deepen understanding of the relationship between effective followership and membership satisfaction through the potential moderating role of organizational performance. The study show that organizational performance cushions the favorable effects of effective followership on membership satisfaction in co-operative organizations. It is hoped that this study prompts further investigations of the ways different situational factors including co-operative type, leadership styles, gender, and culture may interact with followership for stakeholder satisfaction and organizational performance.

To conclude, although increased follower involvement in leadership might have immediate implications for the follower role, it is a concern and provocative issue for both leader-centric and follower-centric research, especially in member-based organizations such as co-operatives.

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