

EFFECT OF STAFF RECRUITMENT ON PERFORMANCE OF SACCOS IN TANZANIA: MODERATION ROLE OF INSTITUTIONAL FACTOR CULTURE

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ABSTRACT

This study assessed the effect of staff recruitment on the performance of SACCOS in Tanzania under the moderation role of institutional factors culture. The guiding objectives were to examine the effect of staff recruitment, and moderation effect of institution factors culture on the performance of SACCOS. The study was guided by Herzberg's two factors theory and Institution theory. A positivist research philosophy and a deductive research approach was adopted. On the other hand, the researcher adopted an explanatory cross-sectional research design. The researcher used simple random sampling as a sampling technique. Primary data was collected by using a structured questionnaire from 143 SACCOS in the Dar es Salaam region. A sample size of 143 in a population of 517 SACCOS. Data was analyzed using multiple regressions with the assistance of IBM SPSS version 26.

The results obtained suggest that staff recruitment had a positive and significant effect on the performance of SACCOS. On the other hands the Findings showed that culture has a positive and significant effect to dependent variable performance of SACCOS. The study recommends that to improve the performance of SACCOS, both the Government and Tanzania Cooperative Development Commission (TCDC) are required to set the policies which will guide all SACCOS in Tanzania to have a department of human resource management to run their financial and administrative matters smoothly and professionally. Thus, ensuring recruitment, training, and incentives are crucial in running the operation of SACCOS.

Keywords: Staff Recruitment, Performance, And Saccos.

1. INTRODUCTION

Current studies have revealed that SACCOS contributed positively to poverty reduction. SACCOS provide financial assistance to the poor and marginalized groups by mobilizing funds from members where in the end, such funds are borrowed by the members for investment (Mmary and Thingane, 2019).

Despite the positive achievements of SACCOS, some are still encountering challenges such as poor administration, leadership skills, poor business practices, negotiation skills and lack of professionalism in running the financial institutions (Etefa, 2022). Others lack operations skills and the absence of strategic and business plans to use as tools in the day-to-day management of their businesses (Mwita, 2024).

Inadequate human and financial resources to facilitate implementation of the commission's directives, high dependence on external finance, dishonest among some cooperative leaders and management teams that lead to embezzlement of funds, inability to address external auditors queries and mismanagement of assets (TCDC Report, 2022).

Those problems are associated with poor adoption of HRMP in the areas of recruitment (Mmari and Kapaya, 2022; Daudi & Mbugua, 2021; Mulwa & Odunayo, 2019). HRMP is a collection of all organization activities to manage the pool of human resources and ensure all employed resources fulfil organization goals (Jillo et al., 2023). According to Etefa (2022), HRMP is defined as an agreed and understanding basis for the formulation of approaches to people management that will become viable in the future.

However, Gulzar (2019) define HRMP as the collection of all organization activities, which is directed at managing the pool of human resources and ensuring all resources are employed to fulfil the organization's goals. The researcher adopts the definition of Etefa (2022) which is an agreed and understanding basis for the formulation of approaches to people management which will become viable in future. The researcher considered this definition because it encourages teamwork in the organization. To accomplish this research study, the researcher selected four human resource management practices, staff recruitment, as independent variables. The forth one is institution factors culture used to moderate the independent and dependent variables to understand their contribution to the performance of SACCOS.

Alserham, (2021); Alsaham, (2021); Gulzar, (2019) conducted a study in the Philippines, Italy, Indonesia, Turkey and India, to examine the impact of human resources management practices on the performance of savings and credit cooperative societies. The studies revealed that HRMP, namely recruitment were the most practiced which increased the effort of the management system to realize better financial performance (Saqib, 2021; Reimara, 2021; Zala, 2020) conducted research in Indonesia, Pakistan, Russia and Dubai. The studies found a positive and significant relationship between HRMP (staff recruitment) and organizational performance.

In Africa, Abraham & Jared (2022); Barpanda & Bontis, (2021); Muithya & Muathe, (2020); Eyupoglu & Tashtoush, (2020); Ofei et al., (2020) and Owino & Kibera, (2019) in Ethiopia, Ghana, South Africa and Kenya, conducted a study on human resource management practices. Their findings indicated a positive relationship between recruitment and performance of SACCOS. The studies suggested that if an organization invests in the effective recruitment of its employees, it will improve the performance of SACCOS. Odunayo (2019) support this evidence in Nigeria. The results of these studies indicated direct relationship between recruitment and the organization's performance. This finding was supported by the study by Sagwa *et al.*, (2019) in Kenya. The findings showed that the rise in SACCOS's performance was due to the improvement in the effective staff recruitment. The gap between these studies neither used staff recruitment as an independent variable nor the moderation role of institution factors (culture)

In Tanzania, studies conducted by Mmari & Kapaya, (2022); Daudi & Mbugua, (2021) examined the impact of human resources management practices (staff recruitment) on the performance of savings and credit cooperative societies. The studies revealed that HRMP, namely recruitment, were the most practiced, which increased the effort of the management system to realize better financial performance. However, the studies did not use the moderation role of institution factors.

One theory guide this study: Institutional theory was developed by DiMaggio & Powell (1983). It addresses the central question of why all organizations in a field tend to look and act the same. Scholars like Max Weber, Emile Durkheim and Talcott developed it in the early 20th century. It was developed as a theoretical framework in sociology to explain the social structure like rules, norms and values that are said to be an institution (Thornton et al., 2012). This study applies institution theory because it accounts for the growth and structure of the academic and state research sectors, as successful organizations operate as models far from their original contexts. As the moderating variables is culture of which most researchers have not tested it on the area of human resource management practices on performance of SACCOS. The institutional theory is widely accepted as the best theory for studying an organization's structure because it incorporates organizational variables well (Mohamed, 2019). However, most scholars criticize the theory because it is static and mainly used to explain agency variables rather than social variables, and it does not explain how to promote strategic behavior (Ayadago, 2021). The theoretical gap relies on the moderation role of institutional factors, culture that previous authors did not use in their studies.

2. LITERATURE REVIEW

Staff Recruitment refers to attracting quality employees in an organization to meet the required production target (Mohamed, 2022). Barpanda and Bontis (2021) define recruitment as process of identifying and attracting potential candidates from within or outside the organization to fill current or future job openings. The researcher defines recruitment as a process of getting right talented employees to meet the organization operations and strategic needs. Its process involves several stages like job analysis, planning, attracting candidates, screening, selection, hiring and on boarding.

According to Saqib et al., (2021) Performance of SACCOS is an ability of a SACCOS to generate revenue, manage, costs and maintain financial sustainability. General it includes metrics like profitability, liquidity, asset quality and capital adequacy in which in one way or another collectively determine the financial health and growth potential of the SACCOS. Mmari and Kapaya 2022 define Performance of SACCOS as a state in which SACCOS can deliver its services to members effectively and efficiently. SACCOS have been established by members, who must judge its performance to determine if the organization is accomplishing the objectives that led to its formation. Performance of SACCOS will be evaluated based on the objectives that led to its inception. It means quantify and quality increase of services and increase in profit of the institution. Increase in customers, increase in capital and opening of branches of the institution captures quantity performance, while the way the board uses its policies and regulations to offer services to the members, level of the customers satisfaction means the quality performance. Based on the above two definition this study was adopted the first definition by Saqib et al., (2021) because it focus more on financial performance rather than operational performance.

Theoretical Review: institutional theory

The institutional theory addresses why all organizations in a field tend to look and act the same (DiMaggio & Powell, 1983). Scholars like Max Weber, Emile Durkheim, and Talcott, developed it in the early 20th century. The theory was developed as a theoretical framework in sociology to explain the social structure (Schman, 1995). The organization has a formal structure that include;

norms, rules, and values. Institutions are considered a way through which people are shaped and regarded by the formal structure which is independent. An organization which is well organized in all matters pertaining to its structure it expected to contribute positively in the area of economy, legal system, and political system in which it enables to enforce decision-making (Rodner, 2020).

The theory assumes that in Social Construction of Reality, The theory assumes that institutions shape and define the norms, rules, and expectations within a society or organization. These constructs influence behavior and decision-making processes. Also assumes that stability and change in the institutions are viewed as stable over time, but they can evolve. The theory assumes that while institutions provide stability, they can also be influenced by external pressures and internal dynamics, leading to change. The big weakness of the old institution theory is that it lacks a clear knowledge base because it is treated as a methodology rather than a theory. Vowel that scholar failed to propose an alternative theory to overcome its shortcomings. This weakness gives scholars a loophole in coming up to develop the New Institution Theory (NIT). New Institutional Theory sets a base by establishing the reality that society, political and external policies, and internal pressure can influence the managerial decisions of the organization. Karbhari et al. (2020) agree that institutional theory provides the picture of the organization to appear legitimate and sustainable through effective compliance with the regulations, rules and policies, which ignite the spark of organization performance. Rodner (2020) reveals how normative, regulative, cultural and cognitive contribute positively to the organization's financial and economic activities.

Many scholars support it as the best theory for studying organization because it is comprised of the organization variables structure, norms, values, rules, legal, policies, regulation, economics, politics, and culture (Rosenzweig & Singh, 1991). It establishes the foundation and systematic analysis of the organization. It provides the paving way for how an organization, without care if it is formal or informal, its norms, culture, and rules can promote the organisation's performance (Rodner, 2020). Despite its strength in analyzing the basement of the organization, performance is criticized by different scholars on the basis that it does not provide a practical solution for maneuvering practices. The theory did not succeed in explaining the transferability concept that the past firm's characteristics can be transferable to the succeeded firm ignores the changes which can be brought in by geographical distance. It focuses on dynamics changes in the organization rather than individual interest (Saqib et al., 2021). The theory does not recognize human beings as the change agents. It ignores the role of technology as the tool to facilitate the organization's achievement. Lastly it does not explain if the firm will continue to create the profit in it succeeds in achieving despite its weeks. It remains the best theory for financial institutions, and reflects the real environment in which SACCOS conduct their operations.

The theoretical contribution from other scholars is to encourage management to use hygiene factors in their organization to increase the motivation of employees. Rai et al. (2021) conducted a study on satisfaction of hygiene factors that increase the motivation of employees. They found that there was a strong relationship between hygiene factors and motivation factors. The study conducted by Karbhari et al. (2020) used good governance, rules, regulations and guidelines to develop the internal environment and designed Shariah governance. The gap between this study and others is that previous studies did not consider the moderation role of institution factors. This

study will look on an in-depth the effect of HRMP on SACCOS performance by assessing the moderating roles of institutions factors.

Empirical Literature Review

The recruitment process is the HR department's main function towards making competitive and quality of employees in an organization. The study conducted by Aloqaily, (2023) in Jordan assessed the impact of human in achieving competitive advantage. The study found out that large organizations employed a high number of talented employees resources employment strategy. The findings showed that proper implementation of human resource management practices such as recruitment, selection and staffing increase performance and the Organisation competitive advantage. The study's weakness was that it did not use medium and small organizations.

Mmary & Thinyane (2019) conducted a study in Lesotho on factors influencing the financial performance of saving and credit cooperative societies. The study used hierarchical linear regression, which revealed that using the effective process of recruitment of employees has contributed to the effective performance of SACCOS in all departments of the institution, which are internal audit, credit, finance, marketing and information technology.

On the other hand, Mwita et al. (2023) conducted a study to examine the influence of recruitment and selection on the performance of SACCOS in Tanzania. The study used a quantitative approach. The researcher used questionnaires to collect data from 231 HR Managers (or their equivalent) in Tanzania SACCOS, specifically focusing on Dar es Salaam region. A simple random sampling technique was used to sample the respondents. Descriptive and inferential statistics were used for data analysis. The study found out a significant positive relationship between recruitment methods and SACCOS performance.

3. METHODOLOGY

The researcher adapted positivist philosophy. The study used a deductive research approach, which is the most appropriate one as it helps to examine and describing the interactions among variables (Saunders et al., 2019). Additionally, a deductive approach, according to Kothari et al., (2023) frequently incorporates empirical testing random sampling and purposive methods and controlled variables like independent, dependent and moderating factors.

The study used a quantitative research approach. It was adopted because it enables the researcher to measure independent and dependent variables simultaneously (Sounder et al., 2019). Data was collected by simple random sampling and purposive methods using questionnaires and analysed by using IBM SPSS version 26. The researcher used explanatory research design to achieve the stated objectives which is a method that is appropriate for studies involving quantitative data and is associated with the deductive approach (Sileyew, 2019). The scope of this study was limited to the effect of staff recruitment on the performance of SACCOS in Tanzania. The study concentrates on licensed SACCOS in Dar es Salaam Region, where many SACCOS exist. Dar es Salaam Region was selected simply because it has a high number of licensed SACCOS compared to other regions in the country. Dar es Salaam has 214 licensed SACOOS with 779,103 members having total savings of Tsh. 398,745,400,444, total loan amount Tsh. 833,520,995,830, with a penetration rate of 41% (TCDC, 2023). Another factor for selecting the area since the pre-independence period. Dar es Salaam has been the economic hub for boosting the economy of the people in the country (Mmari and Kapaya 2022). The population for this study included registered SACCOS in

Dar es Salaam Region. The number of registered SACCOS in Dar es Salaam Region by 2023 was 517 TCDC, (2023). In this study, the researcher used simple random sampling and purposive sampling methods. Simple random method was used to select SACCOS from the list of five districts in Dar es Salaam region; namely, Kigamboni, Kinondoni, Ilalal, Temeke and Ubungo. The advantages of using simple random method are simple to use and no bias on selecting respondents. However, it is difficult in getting access to a large population, time consuming and costs. Purposive sampling was used to select heads of human resource departments who tend to be rich in information about the researcher's goals. The following formula by Daniel (1999), was used to calculate sample size:

$$n = (z^2 * p * (1-p) / e^2) / (1 + (z^2 * p * (1-p) / (e^2 * N)))$$

Where $z=1.96$ for a confidence level (α) of 95%, p = proportion (expressed as a decimal), N =population size, e =margin of error.

The study used structured questionnaire with a closed ended questions was designed for respondents in human resource department for primary data and it was distributed both online and hand delivered. Secondary data was collected from the office of the Regional Assistant Cooperative Officer in Dar es Salaam Region mainly (TCDC 2022) annual report. The researcher applied this step in order to identify and correct any inaccuracies and inconsistencies in the data set. The procedure for error check involves frequency distribution, descriptive statistics and visual inspection ((Kothari, 2023). The second step was to check for missing variables and the objective was to identify variables with missing data and determine how to handle them. The coding process was handled by assigning numerical or categorical codes to data for easier analysis. The next process was to enter-data in IBM SPSS for analysis, and the last process was to clean the data to prepare the dataset by correcting errors, addressing missing data and ensuring its consistency ((Kothari et al., 2023). Data analysis was conducted by using IBM SPSS Software Version 26. Multiple linear regression analysis, descriptive statistics and hierarchical linear regressions were employed to show the data analysis and presentation.

Table 1: Likert Response Labels for the Study (Recruitment)

To Determine the Influence of Recruitment on Performance of SACCOS in Tanzania.
Key Note: 1= Strongly Disagree, 2= Disagree, 3= Neutral, 4= Agree, 5= Strongly Agree

S/N	Recruitment	SA	D	N	A	SA
1.	Job advertising procedures has promoted the performance of our SACCOS	1	2	3	4	5
2.	Screening procedures of the potential job applicants has promoted the performance of our SACCOS	1	2	3	4	5
3.	The invitation for interview procedures for new members has promoted the performance of our SACCOS	1	2	3	4	5
4.	The interview processes of the new staff have promoted the performance of our SACCOS	1	2	3	4	5
5.	The communication process to invite the successful new staff has promoted the performance of our SACCOS	1	2	3	4	5
6.	The orientation process for new staff has promoted the performance of our SACCOS	1	2	3	4	5
7.	The payment of initial remuneration for the new staff has promoted the performance of our SACCOS	1	2	3	4	5

Table 2: Likert Response Labels for the Study (Culture)

To Determine the Influence of Culture on Performance of SACCOS in Tanzania.

Key Note: 1= Strongly Disagree, 2= Disagree, 3= Neutral, 4= Agree, 5= Strongly Agree

Code	Culture	S	D	N	A	SA
1.	Our culture fosters a sense of ownership among members and staff.	1	2	3	4	5
2.	Our culture that prioritizes ethical conduct ensures that all members and management act with integrity	1	2	3	4	5
3.	Our culture encourages active involvement from all members in decision-making processes	1	2	3	4	5
4.	Our culture facilitates better information flow between management and members	1	2	3	4	5
5.	Our culture encourages creativity and the adoption of new ideas	1	2	3	4	5
6.	Our culture builds member trust and confidence in our SACCOS	1	2	3	4	5
7.	Our culture ensures that the goals and objectives of the management and members are aligned	1	2	3	4	5

4. RESULT

Reliability result

The result obtained in table 3 below indicate that Cronbach alpha (a) of >0.7 and construct reliability (CR) of >0.7 was attained for all latent variable in this study thereby confirming directly the internal reliability and construct reliability of the measure was archived in this study as recommended by scholar (Hair et al., 2014).

Table 3: summary of reliability and validity test

Construct	AVE	Construct Reliability(CR)	Cronbach Alpha (a)
Recruitment	0.7276	0.85368	0.777
Culture	0.7271	0.77400	0.761

Source: Data analysis 2024

Descriptive statistics results

Table 4 represented descriptive statistics for the variable, and the findings showed that for all 133 questionnaires which had been used after clear analysis and removing the outlier, the maximum statistics showed that recruitment was 3.00. The maximum statistics for recruitment and culture were 5.0.

The mean recruitments 4.1139 and for culture was 3.9742. The standard deviation for training, recruitment, and culture 0.423004, and 0.47310, lastly, the skewness and kurtosis, was -1 and 1+.

Table 4: Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation	Skewness	Kurtosis		
	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error	Std. Error
Recruitment	133	3.00	5.00	4.1139	.42304	-.023	.210	-.593	.417
Culture	133	3.00	5.00	3.9742	.47310	-.216	.210	-.569	.417
Valid N (listwise)	133								

Source: Research Data, 2024

Multiple Regression Result

Model Summary Results

The study's objective was to determine the effect of staff recruitment on the performance of SACCOS. The study also determined institutional factors of moderating variable culture that affect the performance of SACCOS. The following section represents the desired result of the regression analysis between the performance of SACCOS and human resources practices recruitment (RE), and age, sex, marital status, education level and working experience as a crucial background variable which could have an impact on the performance of the SACCOS (Messabia et al., 2023; Jillo et al., 2023 and Hamadamin & Atan, 2019).

Effectively, two regression analyses were conducted intensively. The first one incorporated only the independent variable presented in model one and the second one incorporated some background information variables clearly presented in model two. In the first model, which incorporated only an independent variable, the researcher examined to what extent staffs recruitment in one way or another, influenced the performance of SACCOS. Independent variables (IV) were loaded and analyzed, and the result obtained to show the fitness and model's usefulness presented in Table 5.

The value of R^2 showed how much the increase in performance of SACCOS (DV) changes with the change in the unit of HRMP variables. The coefficient of determination R^2 is presented to indicate how the variation in performance of SACCOS level directly responded recruitment without incorporating any moderation factors in the model. In this analysis of the first model, R^2 is 67.2 which was the indication 67.2 of the variation in performance of SACCOS in Dar es Salaam were explained by the variation in recruitment. Thus, the remaining 32.8 variation can be explained by other factors. The value of R^2 does not necessarily have to be high or low. It depends on the dependent variable explained (Kaith, 2019).

Table 5: Model Summary

Model	R	R Square	Adjusted Square	RStd. Error of the Estimate	Durbin-Watson
1	.820 ^a	.672	.664	.23301	1.953

a. Predictors: (Constant), Recruitment

b. b. Dependent Variable: Performance

Source: Data Analysis, 2024

4.7.2 ANOVA Results

Table 6 represents the intensive analysis of variance for F-statistics, which provided the statistical test for the overall model fit in terms of F ratio (Hair et al. 2019). Results obtained showed that the total sum of the square (14.323 + 7.004=21.326) was the squared error that would occur if the researcher used only the mean of Y to predict the dependent variable.

If the researcher decided to use the value of recruitment it would reduce the error by 2.04497 (14.323/7.004). The reduction is statistically significant with the $F(3,129) = 87.934$, which is significant at $P < 0.001$. This result indicated that taking together independent variables i.e. recruitment, explains the performance of SACCOS to a statistically significant degree.

Table 6: ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	14.323	3	4.774	87.934	.000 ^b
	Residual	7.004	129	.054		
	Total	21.326	132			

c. Dependent Variable: Performance

d. Predictors: (Constant) Recruitment

Source: Data Analysis, 2024

Regression Coefficient Results

The analysis in Table 7 indicates the result obtained, which represent the finding that all variables were important in explaining the performance of SACCOS.

In reality, recruitment had a significant effect on the performance of SACCOS (b=0.114, B=0.120, $P > 0.001$)

Obvious, this result supports all the hypotheses, starting with (H2), which stated that recruitment

had a positive effect on the performance of SACCOS. Perpendicular to that, the results showed a low level of standard error for recruitment, which was 0.058. The results clearly showed no multicollinearity issues as the tolerance value was >0.2 and VIF was less than 10 (Hair et al., 2019).

Table 7: Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients		Collinearity Statistics		
		B	Std. Error	Beta	t	P	Tolerance	VIF
1	(Constant)	0.404	0.152		2.658	0.000		
	Recruitment	0.114	0.058	0.120	1.979	0.001	0.694	1.441

a. Dependent Variable: Performance

Source: Data Analysis, 2024

5. DISCUSSION

The Effect of Recruitment on Performance of SACCOS

The second objective of this study was to examine whether recruitment could have a positive effect on the performance of SACCOS, as stated in hypothesis two. The result from this study obtained in Chapter Four (4) table 4.8 directly supported the relationship between recruitment and performance of the SACCOS (b=0.120, P<0.001). These results suggest that recruitment in the SACCOS is an important ingredient in ensuring that SACCOS performs positively.

The results found in this study are consistent with the finding of several other studies from the empirical, the studies conducted by other researchers like Mmari and Kapaya (2022), Mwita (2023) and Kabue et al., (2023), who found that recruitment positively effects on the performance of SACCOS. Another study by Miheso and Wangwe (2019), which focused on HRMP(recruitment, selection and training and development in Kenya also found that effective consideration of recruitment factors during employment of staff in SACCOS has contributed positively to SACCOS performance in many SACCOS in Kenya. This is due to the evidence that an effective recruitment process enables the management within these SACCOS to screen and get a clear cream of professional candidates who possess the attractive qualifications to run operations in these SACCOS Mmary and Thingane, (2019). Although Heinz (2023) reveals that to consider effective process during recruitment does not implicate to high performance of the SACCOS because some candidate can be well prepared during interview but during actual practice can be weak. These can these kind of employee to perform bad with this SACCOS.

6. CONCLUSION AND RECOMMENDATION

Conclusion.

The study demonstrates that HRM practice specifically staff recruitment, have positive impact on the performance of SACCOS. These practices contribute to improve employee productivity enhanced services delivery and overall organizational efficiency. However when moderation variables culture is considered the result was indicated that culture has a positive and significant effect on SACCO’s performance. This suggests that fostering a strong organization culture aligned

with goal and values of SACCOS can farther enhance their effectiveness. Therefore in addition to strengthening HRM practices (stuff recruitment), SACCOS should prioritize cultivating a positive organizational culture to drive long term performance and sustainability.

The findings of this study have a significant contribution to academic literature as many other scholars and have not explored the moderation effect of institutional factors culture in the link between Human resources Management practices (stuff recruitment) and the performance of the SACCOS. Formers studies focus on the impact of HRMP on the performance of SCCOS without concentration on the moderation variable (Alserhan et al., 2020), HRMP and organizations performance (Barpanda and Bontis 2021, Odonyo 2019) and HRMP and Financial Institutions (Eyopogulu and Tashtoush, 2020) however this all studies do not discuss on the moderation effect of institutional factors (culture) on its relationship.

The study makes the connection between HRMP and the SACCOS's performance and investigates it. It also examines the moderating role of institutions in influencing the link between stuff recruitment and the performance of the SACCOS. More specifically, the study aimed to examine the effect of recruitment on SACCOS performance and the moderating effect of institutional in the link between stuff recruitment and performance of SACCOS.

The study's key result and main findings, recommendations, and ideas for additional research are presented in this chapter. This chapter also discusses the implications of this study, including theoretical implication, contextual implication, and practical implication contribution to the body of knowledge finally, the study limitations will be discussed, and emphasised in special areas.

Recommendation.

First, Government intervention is recommended to ensure all SACCOS through TCDC adopt the policy of implementing HRMPS (Stuff recruitment) to realize the increase of SACCOS in terms of increase in capital, portfolio, members and retention of employees. Such improvement can directly increase the general performance of SACCOS. In addition, an important area of policy recommendation should be on how the Government can reduce tax in importation of information system infrastructures and corporate tax in SACCOS.

Second, Board and Management of SACCOS could ensure that HRMP (Effective stuff recruitment) in their SACCOS is the main tool for the SACCOS performance. Thus, it must be carefully reviewed periodically to check for its efficiency and effectiveness.

Third, based on policy, the current study has demonstrated empirically that HRMP recruitment positively and significantly affect the performance of SACCOS. Thus, the emphases on HRMP such as the availability of training, proper recruitment processes and availability of incentive scheme will enable performance of SACCOS to provide a wide range of services to the members. Additionally, the Tanzania Commission for Cooperative Development (TCDC) should conduct different training programs, conferences and seminars to increase capacity building of small SACCOS which are not able to send their staff to Colleges for training due to budget constraints.

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