

**A STUDY ON PROFILE AND PROBLEM FACED BY
COOPERATIVES IN WEST COAST OF SABAH**

NORAZMAH BT. ABDUL

**Submitted in Partial Fulfillment
of the Requirement for the
Bachelor of Business Administration
(Hons) Marketing**

**FACULTY OF BUSINESS MANAGEMENT
UITM, SABAH**

2006

Signature: _____

Date: April 21, 2006

ACKNOWLEDGEMENT

Firstly, I praise and thank Allah S.W.T for giving me all the strength and ability to complete this paper. I would also like to say thank you so much to my loving parents and family for the continues support that they have given to me through all this time.

I wish to acknowledge my sincere gratitude to Professor Madya Matyasin B. Jamil, my advisor for this project paper, for his patience, guidance, support and encouragement in the completion of this paper, to my second examiner Cik Rusalbiah Che Mamat, thank you for advice, critics and supports in this study. To Mr Mohd. Shamlie Salisi, my Coordinator Program, I dedicated a special thanks for his continues encouragement and concerned.

To my dearest friends, I would like to say thank you so much for you all supporting and understanding no matter in what situation. Thanks again.

Last but not least, to Mr. Haji Efendee OP Andu, my supervisor for this project paper, and all the staff at Jabatan Pembangunan Koperasi (JPK) Sabah thanks for you all support, participation, and guides, and to all of those people who have directly or indirectly helping me in making this study possible to be completed. And to all respondents who had given their full cooperation in filling up my questionnaires that help me to shape the analysis and findings of this research.

TABLE OF CONTENTS

ITEMS	PAGES
ACKNOWLEDGEMENT	iv
TABLE OF CONTENTS	v
LIST OF TABLES	ix
LIST OF FIGURES	xi
LIST DEFINITION OF TERMS	xii
ABSTRACT	xv
EXECUTIVE SUMMARY	xvi
CHAPTERS	
1.0 INTRODUCTION	1
Historical background of the co-operative movement in Malaysia	3
Historical background of the co-operative movement in Sabah	4
1.1 Background of the study	6
1.2 Problem Statement	7
1.3 Theoretical Framework	8
1.4 Objectives	9
1.5 Research Question	9
1.6 Significance of study	9
1.8 Limitations of Study	11
1.9 Scope of study	12
2.0 LITERATURE REVIEW	14
2.1 Co-Operative Movement	15
2.2 Cooperative movement in Malaysia	15
2.3 The cooperative movement in Malaysian Universities	17

2.4.1 Organizational Structure JPK Malaysia	18
2.4.2 Organizational Structure JPK Sabah	19
2.5 Review of Co-Op Laws in Malaysia	19
2.6 National Co-Operative Policy	20
2.7 Profile of the Co-operatives in West Coast of Sabah	21
2.8 Activities and type of Co-Operative	22
2.9 Co-Operatives to be Corporatised	24
2.10 ANGKASA has record of loans	24
2.11 Lesson relevant for the Agricultural Cooperatives in developing countries of Asia-Pacific Region	25
2.12 The Governance in the management of Cooperatives	27
2.13 Co-Operative development to receive renewed emphasis	28
2.14 Lesson From a failed Cooperative: The rice growers association experience	29
3.0 RESEARCH METHODOLOGY	30
3.1 Data Collection Method	32
3.1.1 Primary data	32
3.1.2 Secondary data	33
3.2 Sampling Design	34
3.2.1 Sampling Technique	34
4.0: FINDINGS	36

ABSTRACT

After done this research, we can see that, cooperatives is one of the business organization, and it is very important for the government to continuously support, observed, and investigate cooperatives business activity in order to avoid mismanagement and misconception about the cooperatives philosophy and principles.

From this research we find out that, board of members had an internal and external problem in order to develop cooperatives business activities.

Other than that, they also most prefer to attend any JPK program in order to solve the cooperatives problem. Meaning to say, JPK is an organization that has play a very important role in order to help, support and observed the cooperatives development.

Through this research, the researcher has been discovering the profile of the cooperative such as its business activities, district and education of the board members and also the major problem that the cooperatives had faced and the related factor that had contribute to this problem. These relationships also help the researcher to achieve the objectives of this study.