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Demographic Factors That Affect the Competence of Cooperative Board Members (CBM)

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ABSTRACT

Competence is a crucial element in ensuring the success of an organization, especially in the cooperative sector. It is crucial to appoint competent and capable Cooperative Board Members (CBM) to ensure profitability of the entity and efficient management of cooperative activities. This study aims to identify the level of competence of CBM based on demographic factors such as age, education level, and years of experience, across different states in Malaysia. This study employed a quantitative method via a set of survey questionnaire distributed to 420 respondents who are CBM representing diverse demographic backgrounds (different age groups, education level, and years of experience). Simple random sampling was used as the sampling method. The collected data was analysed using Rasch Measurement Model via Winstep 5.2.20. The results of this study indicate that out of the fourteen states in Malaysia, the three states with the highest levels of CBM competence according to logit values are Perak, Sarawak, and Kelantan, while the three states with the lowest levels of CBM competence are Perlis, Pahang, and Kedah. The research findings suggest that factors such as age and education level influence CBM competence level, whereas years of experience does not significantly affect their competence.

Keywords: *Competence, Cooperative Board Members (CBM), Age, Education Level, Years of Experience*

1.0 INTRODUCTION

National Co-operative Policy (NCP) which starts with NCP 2002-2010, NCP 2011-2020 and NCP 2030 were implemented with the aim to establish cooperatives as a significant factor in propelling national development. Ministry of Entrepreneur and Cooperatives Development (MECD) aims to achieve a 5% increase in the contribution of the cooperative sector to the Gross Domestic Product (GDP) by the year 2025, as outlined in the Malaysian Cooperative Transformation Plan 2021-2025 (TransKoM). This is in line with NCP 2030 which targets cooperative sector revenue of RM100 billion by the year 2030 (Kawi, 2020). The sector has only a few years left to achieve these objectives.

The cooperative sector possesses assets worth billions of ringgits and has millions of members across the country (Malaysia Co-operative Societies Commission, 2022). Statistics indicate that cooperative earnings have been increasing from 2015 to 2019, although there was a decline in 2020. Additionally, there are 2,000 inactive cooperatives and 3,000 dormant cooperatives which require assistance in ensuring they can contribute to the goals stated (Kasim, 2021). Stakeholders need to ensure that their cooperatives are profitable and managed effectively. Essentially, the administrative structure of cooperatives consists of Cooperative Board Members (CBM) that are entrusted with managing the cooperatives and are responsible for planning and executing activities needed by the members, whether they are social or economic in nature (Yusof, 2017).

Cooperative Board Members (CBM) holds the most prominent position in every cooperative. Malaysia Co-operative Societies Commission has outlined the need to develop competency of CBM in fulfilling their responsibilities to manage and oversee cooperative affairs as mandated in one of its guidelines (Malaysia Co-operative Societies Commission, 2015). Many researchers have found that this competence element consists of knowledge, skills, and attitudes, with the Triangle of Success theory model introduced by Van Hooser indicates these elements as determinants of organizational success (Abdullah, 2017), and symbolizing the performance of individuals who possess competence (Sidharta & Lusiana, 2014). This shows that all those components are important for a person to perform tasks and act as a driving factor for the success of an organization. Guideline 27 Cooperative Governance also considers demographic factors as eligible and appropriate criteria to be appointed as CBM under Principle 4 Formal and Transparent Appointment of CBM. This principle outlines the eligible and appropriate criteria for CBM to be those who have qualifications, experience, and competence. The terms of appointment of CBM should be set, including roles and responsibilities, appointment period, and maximum age limit (Malaysia Co-operative Societies Commission, 2015).

However, everyone has different competence levels. Aside from that, demographic factors including gender, educational background, experience, age, and frequency of attending training programs are among the important factors which influence a person's competence level (Francis & Ahmad, 2021). Demographic factors also reflect an individual's characteristics, which often greatly influence the organization's overall performance (Wahyuni & Pramono, 2021). In terms of good governance, a cooperative need to ensure CBM have ability to perform the required tasks and responsibilities (Laws of Malaysia, 2021). As the principle here, CBM represents a cooperative's human resource that can determine the direction and success of the entity. Competent CBM are needed to improve sales, make returns and omit manage a cooperative properly (Din et al., 2012). Competency is crucial in improving efficiency and skills, as well as ensuring tasks can be complete according to the plans.

Thus, a study on CBM competency is vital due to these points. In the literature, Din et al (2012) conducted a research on Analysis on the Competency of School CBM in Malaysia for 100 grade A schools. However, the study only involved school co-operatives and did not review the job scopes of CBM comprehensively. Another work by Ali et al. (2020) studied the influence of interpersonal traits competency, involvement effectiveness competency, employee's community relationship competency, and financial and planning competency of CBM on co-operative's performance. It shows that research on the current competence gap in CBM is still lacking and with this research approach it can help CBM to build self-competence and can be used as an effort to improve organizational performance through competency empowerment.

The aim of this study is to identify the level of competence of CBM in fourteen states and to determine the extent to which demographic factors including age, educational level, and years of experience influence CBM level of competence in Malaysia. Findings of this study can serve as a guide for cooperatives in selecting suitable CBM who can carry out their duties and responsibilities competently.

2.0 LITERATURE REVIEW

2.1 Concept of Competence

Competence or capability is an inherent trait of an individual that relates to the effective execution of a task. Competence is also a person's personal characteristics that will encourage achieving higher performance (Alainati, Alshawi, & Al-Karaghouli, 2010). The characteristics of competence serve as the foundation for the effectiveness and performance of an individual in carrying out tasks (Ardiana, Brahmayanti, & Subaed, 2010). Competence is also defined as an individual's ability to perform a task based on one's knowledge, skills, and attitude (Sidharta & Lusiana, 2014). A person's competence or ability to perform a task varies depending on the specific qualities they possess.

The Iceberg Competency Model by Hay McBer explains that there are three primary components of competence namely knowledge, skills, and attitudes (personality). Knowledge competency refers to an individual's ability to continuously enhance their knowledge to effectively improve personal performance. Skills competency, on the other hand, is the individual's ability to use and leverage the knowledge and skills they possess to excel in performing tasks. Next, attitudes competency involves personal values and behaviours that need to be internalized and practiced by an individual in their work (Abdullah, 2017). This model views knowledge and skills as necessary for task execution, and these two elements can be acquired or possessed. In contrast, an individual's attitudes are difficult to observe, measure, alter, and control. These personal attributes are used to determine the extent to which excellence can be achieved (Abbas, 2018; Mohd Yusoff & Liew, 2002; Shariff, 2015).

2.2 Competency of Co-Operative Board Members

The Co-operative Societies Act of 1993 Section 2 defines "Board" as the co-operative society's governing body, which is charged with overseeing the management of the organization's business. The Board is another name for the cooperative "Officers" who are tasked with carrying out tasks in accordance with the Co-operative Act and by-laws. "Every co-operative society shall have a Board, which shall consist of not less than three and not more than fifteen members duly appointed at the annual general meeting," according to Section 42 of the Co-Operative Societies Act of 1993. According to the needs of each cooperative, the precise number and make-up of CBM are established in co-operative by-laws. An essential part of a cooperative is the Board. They are given the authority and confidence to oversee and govern the organisation. The study by Din et al. (2012) listed several competencies needed for CBM including (i) management and administration, (ii) financial management, (iii) strategic management, (iv) governance management, and (v) business management.

2.3 Demographic Factors That Influence Competence

Internal factors originate from within an individual, and these personal characteristics can influence a person's level of competence (Yusliana, Anantanyu, & Rusdiyana, 2020). Several demographic factors that affect individual's competence level are as follows:

(i) Age

Age is a factor that influences how an individual works and their thought patterns. The development of thinking abilities occurs in tandem with ageing process. Typically, younger people are characterized by stronger physical abilities and more energy, compared to older people, which are characterized by limited and weakened physical attributes (Chaerani & Gusvita, 2022). Age also significantly affects an individual's capacity or energy to carry out a task, and it represents the person's productivity level. Younger people usually exhibit higher levels of productivity compared to older people. Workers in their productive years are generally stronger and more energetic (Aprilyanti, 2017).

Age demographic factors for decision makers affect the level of competence in achieving superior performance for an organization. The level of competence is influenced by personal characteristics, management, and marketing competence. This is because experience develops along with age, the older a person is, the more experience is necessary to make the right decision in an organization (Rosman et al., 2022). The productive age range (15-60 years) records positive correlation with employees' working capabilities (Sali, 2020). The age category of 25-40 years old represents a group that is competent and has good job performance (Ardiana, Brahmayanti, & Subaed, 2010). As an individual's age increases, their abilities tend to improve due to being in the productive age range;

however, their level of competence may decline due to physical factors or health-related issues (Kumbadewi, Suwendra, & Susila, 2021).

(ii) Education Level

Education reflects the level of knowledge mastery an individual possesses in understanding a subject, particularly in academic settings. The higher an individual's education level, the higher their level of tolerance to risks (Wahyuni & Pramono, 2021). This is due to the perception that higher education levels entail substantial knowledge and proficiency, enabling the individual to analyse and assess potential risks effectively. Highly educated individuals possess broad insights and knowledge (Anggraeni, 2017). Better educational background correlates with increased competence. Such individuals are more inclined and confident in decision-making, as well as more willing to take risks due to their acquired knowledge (Tanusdjaja, 2018).

Education is among the crucial factors in human resource development. It holds significant influence over an individual's productivity. A higher level of education tends to lead to greater individual productivity and contributes to better work quality as it enables a person to apply his/her knowledge to effectively complete tasks (Ukkas, 2017). The higher the education level, the greater the competence and quality of the workforce. Education reflects a level of wisdom that is connected to an individual's cognitive capacity; it broadens one's mind in accepting new ideas and encourages scientific thinking. Education teaches a person a variety of skills and abilities (Chaerani & Gusvita, 2022). In Malaysia, formal education is provided to students between the age of 6 to 17 years old. Both formal and informal education are critical in shaping an individual's behaviour, ethics, values, and personality (Vasan, 2020). An individual's competencies, including skills and knowledge, can be nurtured through education and training (Manalu, Amanah, Asngari, & Ginting, 2017). A higher level of education makes it easier for a person to adapt to changes.

(iii) Years of Experience

Experience is the process of learning and developing behavioural potential, whether through formal or informal education. It can also be defined as a process that leads to improved behavioural patterns. Work experience is gained throughout one's time working in the same or different places. It is good if one's work experience can be applied to the same type of work or industry. A person can improve his/her efficiency, experience, and skills via spending more time working (Kumbadewi, Suwendra, & Susila, 2021).

Work experience encompasses various types of tasks that a person has performed and enables the person to perform better in their role. Performing the same work continuously can lead to increased maturity and proficiency in one's job. Work experience also fosters diligence, talent, and professionalism. The broader an individual's work experience, the higher their skill set or professionalism in their field (Ukkas, 2017) and the longer the period of service, the more capable they should become in performing their tasks (Aprilyanti, 2017).

Experience greatly aids in conducting a task. Tasks performed tangibly (practically) make it easier for an individual to remember them. A person who learns extensively from his/her experience can be considered an expert in their field of work. The longer the duration of experience, the more mature or competent someone is in their industry (Febianti, 2023).

Many researchers found that competence is a combination of three important elements, namely knowledge, skills and individual attitudes used to carry out a responsibility or task (Abdullah, 2017; Fuad, 2016; Mohd Yusoff & Liew, 2002; Triwani et al., 2020). Competence is also a person's ability to perform a task (Shariff, 2015). It can be linked to individual work performance (Erman, 2017) and able to influence organizational performance (Jabar et al., 2017). Competence can predict whether an individual performs his duties well or otherwise (See See et al., 2023).

3.0 METHODOLOGY

Population for this study consisted of co-operatives from the medium and small clusters only. The objective of this study was to determine the competency level of selected CBM (Chairmen, Secretaries, and Treasurers). Samples for this study involved 420 respondents, and each state was represented by respondents. This research required 30 respondents for each state as the minimum sample size to obtain

accurate and consistent data at 95% confidence level based on the Rasch Measurement Model. According to Linacre (1994), this number of samples is sufficient for a stable measurement determination (Bakar, et al., 2023; Said et al., 2019).

This study adapts the elements of CBM competence done by Din et al. (2012), and the researcher expands these elements into core competencies (knowledge, skills, and attitudes) based on the tasks specified in the studies by Jabar et al. (2017) and See See et al. (2023). Results of diagnosis, validity, and reliability of the research instrument confirmed that the instrument developed have suitable quality for measuring CBM competence level in Malaysia (Bakar, et al., 2023). Overall, the instrument used in this study consisted of 44 items from five constructs as shown in Table 2. The result of analysis conducted on the study's questionnaire reliability index was between 0.96 and 0.98, while the study's overall reliability index was 0.97. This showed that the study's instrument was very reliable, effective, and highly consistent. Thus, it can be used in a real study (Bond & Fox, 2013). A pilot study was also conducted to test the reliability of the instrument developed for this research.

Furthermore, this study also focuses on three demographic factors: age group, education level, and years of experience, as shown in Table 1 compare on three states with the highest and lowest competence levels.

Table 1: Demographic Factors

No.	Age Group	Education Level	Years of Experience
1	21-30 years	Standard six	Less than 1 year
2	31-40 years	PMR/SRP/LCE	1 to 3 years
3	41-50 years	SPM	4 to 6 years
4	51-60 years	STPM/HSC/Diploma	7 to 9 years
5	61 year and above	Bachelor	10 year and above
6	-	Master/PhD	-

Data collection for this study was conducted through distribution of questionnaires, either online (via email or Google Forms) or via postage to respondents selected using simple random sampling. The collected data was analysed using Rasch Measurement Model with Winstep 5.2.2.0. The Rasch Measurement Model takes into consideration the ability or capability of each candidate or respondent to answer survey questions, tests, or instruments, as well as the difficulty level of each test or item. This model has gained popularity among researchers that require precise measurement tools (Jalil & Siew, 2022).

As shown in Table 2, the questionnaire was divided into five areas of job scope namely management and administration (12 items), financial management (9 items), strategic management (7 items), corporate governance management (9 items), and business management (7 items). All constructs consist of three basic concepts namely knowledge (K), Skill (S) and Attitude (A). The respondents had to choose the best answers based on four options (1 = Very Not Capable, 2 = Not Capable, 3 = Capable, 4 = Very Capable).

Table 2: Content of Questionnaire and Number of Items based on Constructs.

No.	Construct	Basic Concept	Total
1	Management and Administration	Knowledge (K) Skills (S) Attitude (A)	3 5 4
2	Financial Management	Knowledge (K) Skills (S) Attitude (A)	2 5 2
3	Strategic Management	Knowledge (K) Skills (S) Attitude (A)	2 3 2
4	Governance Management	Knowledge (K) Skills (S) Attitude (A)	3 4 2
5	Business Management	Knowledge (K) Skills (S) Attitude (A)	3 2 2
		Total	**44**

For the first construct, in the area job scope of management and administration for Knowledge Item consists of the understanding of the concept of cooperatives value, cooperatives principle and cooperatives organizational charts. For the Skill Items, are consists of the ability in to conduct meeting, to maintain file record system, to use technology applications in administrations process (e.g., MS Office, Google Meet, etc.) and to communicate the information or instructions clearly. The Attitude Items consists of the ability to carry out all tasks and responsibilities given, be professional, work as a team and intelligently control emotions well.

Second construct in the area job scope of financial management, Knowledge Items consists of the understanding to obtain capital sources and the function of financial reporting. Skill Items consist of the ability to adapt technology in financial recording (e.g., Ms Excel, Mr Accounting, etc.), examine budget estimates, understand asset records, calculate the returns to cooperatives members based on legislation (Example: dividends), and manage working capital cycle (such as cash, inventory, and credit). Prudence as a businessman and honesty in managing all transactions were measured in Attitude items.

Third construct in the area job scope of strategic management consists of understanding in the cooperative's mission, vision, objectives and use SWOT Analysis in Knowledge Items. While Skill Items consists of ability to develop business strategy, implement action plans based on objectives and evaluate activities performance. The Attitude Items focused on the quality work and making decisions based on majority vote.

Fourth construct in the area of job scope governance management for Knowledge Items consists of the understanding of legal structures (Cooperatives Act 1993, Cooperatives Rules, and Cooperatives bylaws) as well as the ability to prepare records or documentation according to current instructions (e.g., Malaysia Co-operative Societies Commission, Inland Revenue Board of Malaysia, etc.). For the Skill Items consists of the ability to implement a conflict-of-interest policy, establish an internal control system and risk management, Key Performance Index in producing quality work and make employee's evaluation to track their performance. Attitude Items focused on the proactive, enthusiastic and confidentiality of information during carrying the duties.

Fifth construct in the area of job scope business management, Knowledge Items consists of the understanding on cooperatives procedure, function of surplus money and establish subsidiaries for certain activities. In the Skill Item focused on joint ventures activities, networking and being able to use digital platforms (e.g., Shopee, Lazada, etc.) to expand business. While in the Attitude Items consists of willingness to accept responsibilities given and can act like an entrepreneur.

4.0 RESULT AND DISCUSSION

The study sample consisted of 10 selected cooperatives for each state in Malaysia. A total of 73 small cluster cooperatives and 67 medium cluster cooperatives have given feedback as shown in Table 3. In total, 420 study samples answered the questionnaire. The response rate of respondents is very satisfactory which is 100 percent.

Table 3: Response Rate by State and Cooperative Cluster

State	Small Cluster	Medium Cluster	No. of respondents
Johor	5	5	30
Kedah	5	5	30
Kelantan	5	5	30
Melaka	5	5	30
Negeri Sembilan	7	3	30
Pahang	5	5	30
Perak	6	4	30
Perlis	5	5	30
Pulau Pinang	5	5	30

Sabah	5	5	30
Sarawak	4	6	30
Selangor	6	4	30
Terengganu	5	5	30
Wilayah Persekutuan	5	5	30
Total	**73**	**67**	**420**

Based on demography of respondents from Table 4, male respondents made up most of the sample (337, or 82.2%), as opposed to female respondents (83, or 19.8%). Most respondents were between the ages of 41 and 50 (30.5%), and the majority had STPM/HSC/Diploma as their highest educational level (157, 37.4%). 121 respondents (or 29%) had 10 years of expertise in cooperative-related matters.

Table 4: Demographic of Profile for 420 Respondents from 14 States

	Number	Percentage (%)
Gender		
Male	337	80.2
Female	83	19.8
Age Group		
21–30 years old	6	1.4
31–40 years old	63	15.0
41–50 years old	128	30.5
51–60 years old	117	27.9
61 and above	106	25.2
Education Level		
Primary School	15	3.6
PMR/SRP	36	8.6
SPM	25	6.0
STPM/HSC/Diploma	157	37.4
Bachelor's Degree	142	33.8
Master's/PhD Degree	45	10.7
Year(s) of Experience as CBM		
Less than one year	76	18
1 to 3 years	84	20
4 to 6 years	85	20
7 to 9 years	54	13
10 and more	121	29

4.1 Objective 1: Identifying CBM Competence Level According To 14 Different States in Malaysia

Figure 1 shows mean logit of CBM competence level for fourteen states in Malaysia. Overall, respondents' logit mean is at 2.36. Results show that highest CBM competence level is recorded by Perak (logit 3.07), while the lowest CBM competence level is registered by Perlis (logit 1.39). In general, mean recorded by respondents is at logit scale of 2.36. From the mean value, CBM can be segregated into three current competence levels namely high (top three states), average (states with logit near to overall mean) and low (bottom three states).

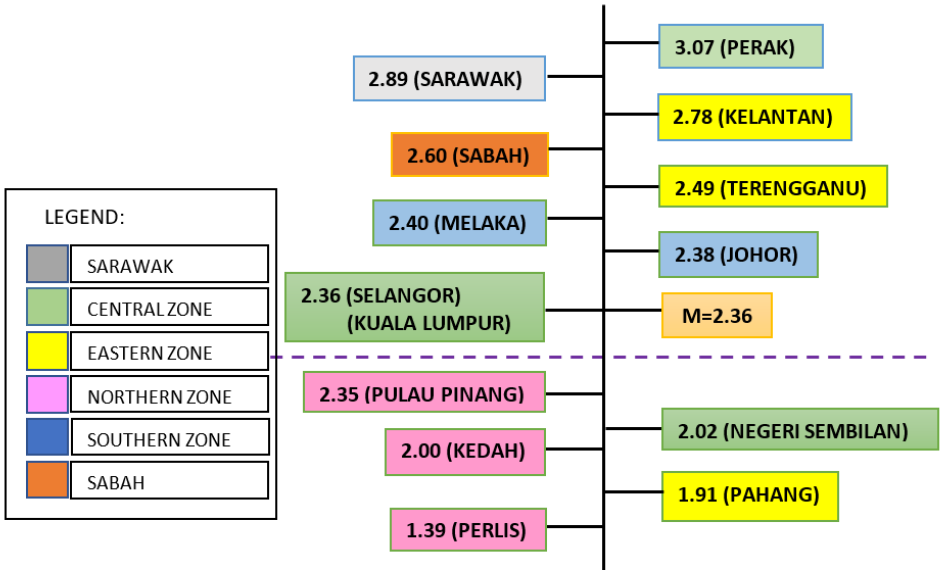

Figure 1: Competence Level of CBM according to States

Results show that Selangor and Kuala Lumpur recorded logit value similar to mean logit (2.36), means that these two states obtained the competence level desired. Seven other states recorded current CBM competence level of higher than average, where Figure 1 portrays three states with the highest current competence level are Perak (logit 3.07), Sarawak (logit 2.89) and Kelantan (logit 2.78). Results show that five states recorded CBM current competence level under logit 2.36 where Figure 1 portrays the states with the lowest current competence levels are Perlis (logit 1.39), Pahang (logit 1.91) and Kedah (logit 2.00).

Aside from that, researcher segregated the states according to their geographical zones as in Figure 1. Majority of states in the Northern Zone (Pulau Pinang, Kedah and Perlis) recorded CBM current competence levels under the mean logit (2.36).

Next, the study will zoom into the difference in respondents background information for the three states with the highest current competence level (Perak, Sarawak, and Kelantan) and three states with the lowest current competence level (Perlis, Pahang, and Kedah). Results revealed that CBM competence level is influenced by several respondents demographic factors including age group, education level and years of experience.

4.2 Objective 2: Identifying Demographic Factors Influencing CBM Competence Level for The Three Highest and Lowest States

(i) Age Group

Overall, Table 5 shows the 41-50 years category recorded the highest respondents for the three highest states (30 respondents or 33.3%), while above 61-year category was the highest respondents for the three lowest states (35 respondents or 38.9%).

Table 5: Age Groups for the Three States with the Highest and Lowest Competence Levels

Age Category	Three States with Highest Competence Levels					Three States with Lowest Competence Levels				
	Perak	Sarawak	Kelantan	Total	%	Perlis	Pahang	Kedah	Total	%
21-30	-	1	-	1	1.1	-	8	-	2	2.2
31-40	5	4	3	12	13.4	5	9	3	11	12.2
41-50	11	9	10	30	33.3	7	7	8	22	24.5
51-60	8	11	9	28	31.1	6	8	6	20	22.2
Above 61	6	5	8	19	21.1	12	10	13	35	38.9
				90	100				90	100

Comparing the three states with the highest competence levels, most of the respondents from Perak are in the 41-50 years category (11 respondents or 36.7%) while there is no respondent for 21-30 years categories. For Sarawak, most of the respondents are in the 51-60 years category (11 respondents or 39.3%). For Kelantan, most of the respondents are in the 41-50 years category (10 respondents or 33.3%) while there is no respondent for 21-30 years categories.

Next, for the three states with the lowest competence levels, most of the respondents from Perlis are in the 61 years category (12 respondents or 34%) while there is no respondent for 21-30 years categories. For Pahang, most of the respondents are in the above 61 years category (10 respondents or 28.6%). For Kedah, most of the respondents are in the above 61 years category (13 respondents or 37.1%) while there is no respondent for 21-30 years categories.

Concisely, for the three states with the highest competence levels, majority of their CBM are between 41-50 years old, while for the three states with the lowest competence levels, majority of their CBM are more than 61-year-old. This shows that CBM aged between 41-50 years old are more competent than those aged more than 61-year-old. The results of this study are in line with the study of Ismail (2013), the level of competence of cooperative leaders will increase starting from the age of 35 years and reach the highest level of competence at the age of 46-50 years. However, it will decrease after reaching the age of 51 and above.

The study found that age influences CBM competence level because a person will become a more competent CBM as he/she ages up to a certain limit (61 years old). An individual's age plays a role in determining the maturity and type of employee needed to conduct something effectively (Sali, 2020).

(ii) Education Level

Overall, Table 6 shows that for both the three highest and three lowest states, majority of the respondents have STPM/HSC/Diploma as their highest level of education (40 respondents or 44.4% for the three highest states, 34 respondents or 37.8% for the three lowest states).

Table 6: Education Levels for the Three States with the Highest and Lowest Competence Levels

Education Level	**Three States with Highest Competence Levels**					**Three States with Lowest Competence Levels**				
	Perak	Sarawak	Kelantan	Total	%	Perlis	Pahang	Kedah	Total	%
Standard six	-	1	2	3	3.3	1	1	5	7	7.8
PMR/ SRP/LCE	2	3	-	5	5.6	5	3	2	10	11.0
SPM	2	3	1	6	6.7	3	5	-	8	8.9
STPM/ HSC /Diploma	15	7	18	40	44.4	13	10	11	34	37.8
Degree	11	13	9	33	36.7	7	7	9	23	25.6
Master/ PHD	-	3	-	3	3.3	1	4	3	8	8.9
				90	100				90	100

Comparing the three states with the highest competence levels, most of the respondents from Perak are in the STPM/HSC/Diploma category (15 respondents or 37.5%) while there is no respondent for Standard 6 and Master/PhD categories. For Sarawak, most of the respondents are in the Degree category (13 respondents or 39.4%) while the category with the least respondent (1 respondent) is Standard 6. For Kelantan, most of the respondents are in the STPM/HSC/Diploma category (18 respondents or 45%) while there is no respondent for PMR/SRP/LCE and Master/PhD categories.

Next, comparing the three states with the lowest competence levels, most of the respondents from Perlis are in the STPM/HSC/Diploma category (13 respondents or 38.2%) while the categories with the least respondent (1 respondent each) are Standard 6 and Master/PhD. For Pahang, most of the respondents are in the STPM/HSC/Diploma category (10 respondents or 29.4%) while the category

with the least respondent (1 respondent) is Standard 6. For Kedah, most of the respondents are in the STPM/HSC/Diploma category (11 respondents or 32.4%) while there is no respondent for SPM category.

In conclusion, CBM with academic qualifications of STPM/HSC/Diploma and above have a higher representation among the three states with the highest competence levels, compared to the three states with the lowest competence levels. Aside from that, the three states with the lowest competence levels also recorded significant figures of CBM with highest education between Standard 6 to SPM compared to the three states with the highest competence levels. This indicates that CBM with education qualifications of STPM/HSC/Diploma and above exhibit higher levels of competence compared to those with comparatively lower educational qualifications (Standard 6 to SPM).

The findings of this study indicated that level of education influences CBM competence level because the higher education level attained, the higher the competence level recorded. The extra level of education assists CBM to effectively conduct their responsibilities in managing cooperatives (Vasan, 2020). The results of this study are in line with the study of Alainati, Alshawi, & Al-Karaghouli (2010) that training, and education have an important effect on competence. CBM can also improve their knowledge on cooperatives affairs via assistance rendered by government agencies overseeing the cooperative movement such as the Co-operative Institute of Malaysia (IKMa), Malaysia Co-operative Societies Commission, and Malaysian National Cooperative Movement (ANGKASA) in the forms of documents, references, and trainings.

(iii) Years of Experience

Overall, Table 7 shows majority of the respondents for the three highest states have between 1-3 years of experience (27 respondents or 30.0%), while for the three lowest states, majority of the respondents have more than 10 years of experience (32 respondents or 35.6%).

Table 7: Years of Experience for the Three States with the Highest and Lowest Competence Levels

Years of Experience	**Three States with Highest Competence Levels**					**Three States with Lowest Competence Levels**				
	Perak	Sarawak	Kelantan	Total	%	Perlis	Pahang	Kedah	Total	%
Less than 1 Year	11	3	11	25	27.8	-	8	-	8	8.9
1 - 3 Years	9	12	6	27	30.0	5	6	5	16	17.8
4 - 6 Years	2	7	3	12	13.3	7	8	6	21	23.3
7 - 9 Years	5	3	4	12	13.3	6	2	5	13	14.4
More than 10 Years	3	5	6	14	15.6	12	6	14	32	35.6
				90	100				90	100

Comparing the three states with the highest competence levels, most of the respondents from Perak have less than 1-year experience (11 respondents or 44%), while the category with the least respondents (2 respondents) is 4-6 years. For Sarawak, most of the respondents are in the 1-3 years of experience category (12 respondents or 44.4%), while the categories with the least respondents (3 respondents) are less than 1 year and 7-9 years. For Kelantan, most of the respondents have less than 1-year experience (11 respondents or 44%), while the category with the least respondents (3 respondents) is 4-6 years.

Next, comparing the three states with the lowest competence levels, most of the respondents from Perlis have more than 10 years' experience (12 respondents or 37.5%), while there is no respondent for less than 1-year experience category. For Pahang, most of the respondents have either less than 1 year or 4-6 years' experience (8 respondents each), while the category with the least respondents (2 respondents) is 7-9 years. For Kedah, most of the respondents have more than 10 years' experience (14 respondents or 43.8%), while there is no respondent for less than 1-year experience category.

In conclusion, the three states with the highest competence levels have more CBM with less than 1-year experience compared to the three states with the lowest competence levels. Conversely, the three states with the lowest competence levels have more CBM with at least 10 years' experience compared to the three states with the highest competence levels. This indicates that CBM with 1-3 years of experience exhibit higher levels of competence compared to those with more than 10 years of experience. The results of this finding are in line with the findings of a study conducted by Ahmad Zainal (2020), there is no significant difference between the level of competence of teaching staff and the variable of teaching experience. There is no significant difference in the level of competence of emotional intelligence of leaders to the variable of cooperative administration experience among the leaders of the cooperative movement (Ismail , 2013).

Findings of this study indicate that CBM competence is not influenced by years of experience. The cooperative administration procedure dictates that CBM are appointed for a tenure of 3 years, and they need to follow a rotation system. Upon their appointment, CBM must possess a certain level of competence to effectively manage their respective cooperative. After the 3-year period, CBM can choose whether to be reappointed or not (Malaysia Co-operative Societies Commission, 2015).

5.0 CONCLUSION

This study obtained feedback from 420 respondents with varying levels of competence (high, moderate, and low). A logit scale of 2.36 serves as the benchmark for the required level of competence. Respondents who recorded logit lower than 2.36 means they have low competence and require special attention.

This study confirmed that three factors influence level of competence: age, education level, and years of experience. In terms of age, respondents aged 61 and above were found to have low competence level. This indicates that cooperatives should select younger CBM to ensure the officers appointed are competent to execute the expected tasks. In terms of education level, respondents with STPM/HSC/Diploma or higher qualifications displayed higher competence compared to those with lower educational levels. Respondents with STPM/HSC/Diploma and higher qualifications possess better knowledge compared to their counterparts. On years of experience, a lengthy period of experience does not necessarily guarantee high CBM competence; in fact, it can decrease their competence level.

Cooperatives need to ensure that CBM that they appointed can effectively carry out their mandates and responsibilities. Cooperatives should continuously monitor CBM competency level through reviewing their key performance indicators (KPIs) or achievement of goals related to their job scopes. Cooperatives should also study factors that influence CBM competence to ensure effective management of cooperative in the hands of credible and capable officers. Additionally, to ensure high competence level of CBM appointed, cooperatives should implement a nomination screening process for CBM seeking reappointment.

In terms of research contributions, findings of this study can assist the Ministry of Entrepreneur Development and Cooperatives (MECD) in strengthening the core strategies of the National Co-operative Policy 2030 (NCP 2030) and contribute to enhancing cooperatives' human capital development, ensuring it is in line with the country's GDP growth. This study can also aid the Malaysia Co-operative Societies Commission in performing its regulatory and enforcement activities over registered cooperatives, ensuring efficient and seamless cooperatives operations. Next, the study can benefit IKMa in terms of designing relevant competency-focused training programs. Finally, for individual cooperative, the outcomes of this study can help to improve overall CBM competence level via having highly competent CBM to act as mentors, and by conducting collaborative learning programs to enhance CBM understanding of cooperative-related matters.

This study recommends that further research on specific competence elements is conducted especially focusing on primary CBM job scopes including management and administration, financial management, strategic management, business management, and governance. This is important to ensure more focused training programs can be conducted effectively. Cooperatives also need to recognize the importance of education in complementing other factors including skills and competencies of their human resources.

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