

ABSTRACT

The aim of this study was to assess factors which influence performance savings and credit cooperatives societies in Arusha city in Tanzania. Specifically, the study intended to: - (a) determine extent to which SACCOS adhered to good management practices, (b) examine trend on performance of selected SACCOS, and (c) determine financial performance of SACCOS using selected financial ratios. The study involved primary and secondary data. Primary data were collected by use of questionnaire to a sample size of 118. Secondary data were obtained from audited financial statements. The findings revealed that SACCOS adherence to good management practices. Trend analysis revealed that totals assets, gross income, net profit and number of members for selected SACCOS were decreasing in the recent years. TAT was declining in recent years. Net profit margin was not stable for selected SACCOS as a downward trend was observed in the current years. The study concluded that SACCOS adhered to good management practices. It was also concluded that performance of SACCOS in the recent years was declining. The study recommended that SACCOS should improve performance of assets they currently own. Also, SACCOS should invest into productive assets so as to improve their portfolio. Furthermore, SACCOS should encourage borrowing among members so as to increase their profitability. Lastly, the government should reduce taxes among SACCOS so as to improve their NPM and in turn enhance their sustainability

