

## MEASURING SUCCESS LEVELS OF AGRICULTURAL PRODUCER ORGANIZATIONS AND ORGANIZATIONAL PROBLEMS: THE CASE STUDY IN TURKEY

Ugur SAĞLAM<sup>1</sup>, Nizamettin ERBAŞ<sup>2</sup>, I. Hakki İNAN<sup>3</sup>

<sup>1</sup>Ministry of Agriculture and Forestry, Rural Development and Organization Branch Manager, Eskişehir, Turkey, Email: ugur.saglam@tarimorman.gov.tr

<sup>2</sup>Yozgat Bozok University, Yozgat Vocational High School, Department of Management and Organization, 66200, Yozgat, Turkey, Email: nizamettin.eras@bozok.edu.tr

<sup>3</sup>Retiree Prof. Tekirdağ Namık Kemal University, Faculty of Agriculture, Department of Agricultural Economics, Tekirdağ, Turkey, Email: hinan@nku.edu.tr

**Corresponding author:** nizamettin.eras@bozok.edu.tr

### Abstract

*This study reviews the success status and organizational problems of Agricultural Producer Organizations (POs). The main material of the study consisted of the original data obtained from the surveys carried out with 360 producers determined by the proportional sampling method in the province of Uşak, Turkey. According to the research findings, members/partners found Agricultural Development Cooperatives more successful. Agricultural Development Cooperative, respectively, was followed by Agricultural Credit Cooperative, Stud Breeders Association, Producer Association, Sugar Beet Growers Cooperative, and Chamber of Agriculture. Irrigation Cooperative was the least successful producer organization. It was determined that the most important problem of the POs was the managerial problem, and it was followed by the financial, supervision, education, top organization, and legislation problems. The study is of primary importance in the success of the organization and in the effective use of production resources.*

**Key words:** agricultural producer organizations, input procurement, marketing, organizational problems, organizational success

### INTRODUCTION

Agriculture is known as the first occupation of human beings and a sector in which organizational formations are for the first time. However, the low technical education and knowledge levels of the people engaged in agriculture, and the weak organizational awareness and administrative skills weaken the organizational development [13].

In the agricultural sector, there are different organizations established according to various laws, which basically aim to protect certain expediencies of their members/partners [20]; [7]. These; are Agricultural Cooperatives, Chambers of Agriculture, Stud Breeders Associations, and Producer Associations. All of these formations are defined as the POs [23].

An Agricultural Producer Organization is a structure formed by the cooperation of farmers for professional, economic, or social

purposes, founders and members/partners of which are only farmers [25]. The forms of cooperation of the farmers may differ in terms of the structure of the organization formed and the scope of the activities. The main goals that farmers want to achieve by cooperation are; protecting their expediencies (representation functions); production planning, purchasing of production means and sales (technical and economic functions), and local development [11].

The POs are farmers' economic organizations. A producer organization is understood as any legal entity established on the initiative of the POs, mainly aimed at increasing the economic efficiency of its members/partners by adjusting production and sales to the needs of the market [1]. A PO can have the legal form of a cooperative. The common feature of the POs and cooperatives is that they apply principles of cooperativeness in their activities [4].

The POs occur more frequently during periods of intensification of the transformation and modernization of agriculture, increased integration of rural peoples into markets, or this integration takes place. They are intermediary institutions that serve as an interface between rural societies and their environments, and their aims are to establish external economic, institutional, and political relations between farmers. The POs strive to support the changes that occur on the one hand and to negotiate conditions on the other [16].

POs have many advantages in terms of the agricultural sector. These are:

- Increasing agricultural production and product quality,
- Increasing the living standard of those engaged in agriculture,
- Creation of new agricultural policies,
- Being active in the market and gaining competitive strength,
- Being able to receive affordable and adequate credit,
- Being able to follow innovations in agriculture and so low-cost and high-quality technology use,
- Lowering production costs,
- Having productive, profitable, and rational farms.
- Creating awareness of organization and democracy in the community and making it possible to act together, demand justice, and mold public opinion within the framework of the legislation,
- Protecting small farms' benefits,
- Using scarce sources effectively,
- Being able to increase the country's contribution to the development process.

The POs play an important part in the socio-economic development of the regions where they are established [6]; [15]. However, like other sectors in the economy, the POs also have various problems. In the study, the problems of POs were also investigated in addition to measuring the success of POs, and these problems were analyzed in legal, administrative, and financial terms. These problems were explained in detail in the results section of the study.

Although various studies have been conducted on agricultural sciences in the region, no studies about the POs have been found. Some of the researches related to agriculture in the region are: "Geographical Features of Poppy Agriculture in Uşak" [9]; "The Effect of Climate Changes on Agricultural Products in Usak Province" [10]; "Present condition of apple production in Uşak province" [27]; "Current situation, problems and solution of dairy cattle enterprises in uşak province" [2]; "Sheep farming business in Uşak city of Turkey: Economic structure, problems and solutions" [3]; "Investigation of chicken meat consumption habits in terms of improvement of broiler breeding: a case study of Uşak Province" [28].

The study consists of four main headings, including the introduction. In the 'Introduction', general information on the topic was reviewed. In the 'Material and Methods', fieldwork and the methods used in the study were explained. In the 'Results', emphasis is on the evaluation of organizational success, and organizational problems. In the 'Conclusion', the fourth heading, the study ended with a conclusion knowledge and some recommendations.

The study will be a guide for policy makers in updating agricultural policies related to producer organizations in agriculture.

## **MATERIALS AND METHODS**

### **Materials**

In Uşak province, there are 155 agricultural producer organizations, of which 73 are Agricultural Developments, 34 are irrigation Cooperatives, 1 is a Sugar Beet Growers Cooperative, 6 are Chambers of Agriculture, 3 are Stud Breeders Associations, 8 are Producer Associations, 23 are Agricultural Credit Cooperatives, 6 are Village Service Associations and 1 of which is Uşak Region Animal Husbandry Cooperatives Association. The total number of partners/members of these organizations is 144,567.

The main material of the research consisted of the data obtained from the members/partners of the POs in Uşak.

These data obtained through surveys from the farmer members/partners determined by the proportional sampling method formed the primary data of this research.

The field survey was run in the period 2012-2013.

In this study, scientific studies and published papers previously on the subject and the statistics of some institutions were also utilized. The Ministry of Agriculture and Forestry and the Turkish Statistical Institute are the foremost of these institutions. The data obtained from these institutions constituted the secondary data sources of the research.

### Methods

The research was performed in the villages of 6 districts including the central district of Uşak.

The proportional sampling method was used to determine the sampling size. The following formula was used in this method [18] and [24].

$$n = \frac{N_p(1-p)}{(N-1)\sigma^2_{p_x} + p(1-p)}$$

where:

$n$  = Sampling size,

$N_p$  = The number of total units belonging to the sampling frame,

$p$  = Ratio of the studied feature on in the number of total units,

$\sigma^2_{p_x}$  = Variance.

Accordingly, a 360 sampling size calculated for a confidence interval of 95% and an error margin of 5% was found adequate. Considering the sampling volume determined, 5 researchers were selected from each region, and surveys were conducted with 360 producer members/partners. Surveys were filled by meeting face-to-face with them.

Before the surveys, the producers were provided informed consent on the surveys. This consent was verbal. And so their active participation in the surveys was ensured. In order to achieve the goal and acquire the original data, these survey forms were used. The survey forms consisted of questions

measuring the success of organizations and about organizational problems.

After the surveys, obtained data were entered into the computer, and then they were analyzed with statistical methods fitting for the purpose of the research. SPSS Package Program was used for statistical analysis. In evaluating the research data, descriptive statistics (mean, standard deviation, frequency) were also used significantly.

## RESULTS AND DISCUSSIONS

### Success levels of POs

In the research, the success status of the POs was analyzed separately and given in tables. Meanwhile, it was detected that all the producers has been a member of at least one PO.

The Chambers of Agriculture, in which all the farmers are registered are one of the important institutes for the formation of national agricultural policies and running the education-extension services for their members.

In Table 1, the success status of the Chamber of Agriculture, which is a professional organization for the farmers, was investigated and the ratio of farmer members responding "very successful" was 3.7%, those responding "successful" was 49.1%, those responding "I have no idea" was 1.8%, those responding "unsuccessful" was 31.2%, and those responding "very unsuccessful" was found as 14.2%.

Table 1. Success level of Chamber of Agriculture

Success status	Number of members	(%)
Very successful	8	3.7
Successful	107	49.1
No idea	4	1.8
Unsuccessful	68	31.2
Very unsuccessful	31	14.2
Total	218	100.0

Source: Sağlam, U., İnan, İ.H., 2013 [24].

Agricultural Credit Cooperative is considered the financial institution of the producer. It is one of the most active POs since it supplies production inputs and consumption items to

its members. Its institutionalized structure has been an important factor in its success.

When the success status of the Agricultural Credit Cooperative is examined, while the ratio of those responding "very successful" was 2.5%, those responding "successful" was 66.3%, those responding "I have no idea" was 1.2%, those responding "unsuccessful" was 19.6% and those responding "very unsuccessful" 10.4% (Table 2). In the study, the total success rate of Agricultural Credit Cooperatives was calculated as 68.8%.

Table 2. Success level of Agricultural Credit Cooperative

Success status	Number of partners	(%)
Very successful	4	2.5
Successful	108	66.3
No idea	2	1.2
Unsuccessful	32	19.6
Very unsuccessful	17	10.4
Total	163	100.0

Source: Sağlam, U., İnan, İ.H., 2013 [24].

In Table 3, the success rates of the Stud Breeders Association were given. When the table is examined, 10.0% of the members found very successful the Stud Breeders Association. The rate of members finding successful the Stud Breeders Association was 58.6%, the rate of those who said they had no idea was 5.7%, the rate of those who found it unsuccessful was 17.1%, and the rate of those who found it very unsuccessful was 8.6%. The total rate of those who found the breeder association successful and very successful was 68.6%. This situation can be accepted as an indication that most of the producers are satisfied with the services of the union.

Table 3. Success level of Stud Breeders Association

Success levels	Number of members	(%)
Very successful	14	10.0
Successful	82	58.6
No idea	8	5.7
Unsuccessful	28	17.1
Very unsuccessful	13	8.6
Total	140	100.0

Source: Sağlam, U., İnan, İ.H., 2013 [24].

As in Turkey, the most common type of cooperative in Uşak is the agricultural

development cooperative. Agricultural Development Cooperatives provide their partners with financial and social opportunities and services such as input supply, product marketing, research, training and extension services, and prevention of rural migration. It is one of the most successful cooperatives. The fact that these cooperatives are established in small regions and the works performed can be observed is effective in their success.

The success of Agricultural Development Cooperatives was given in Table 4. According to this; the rate of those expressing that the Agricultural Development Cooperatives were "very successful" was determined at 10.9%, and the rate of those uttering that they were "successful" was 61.4%. On the other hand, the rate of those responding "unsuccessful" was calculated at 8.9%, the rate of those responding "very unsuccessful" was 14.8% and the rate of those stating "no idea" was also 4.0%. The fact that the rate of those expressing "very successful" and "successful" was high (72.3%), shows that these cooperatives are quite effective on partners. When the Table examined, it is viewed that the rate of Agricultural Development Cooperatives", unsuccessful" and "very unsuccessful", was quite low.

Table 4. Success level of Agricultural Development Cooperative

Success status	Number of partners	(%)
Very successful	11	10.9
Successful	62	61.4
No idea	4	4.0
Unsuccessful	9	8.9
Very unsuccessful	15	14.8
Total	101	100.0

Source: Sağlam, U., İnan, İ.H., 2013 [24].

The Uşak Sugar Beet Growers Cooperative also procures feed, diesel, and irrigation materials in addition to various input procure (seeds, fertilizers, pesticides, etc.) for sugar beet farming to its partners. For this reason, it is known as a "successful" cooperative among producers. In Table 5, the success status of the Beet Growers Cooperative was analyzed. Accordingly, the rate of those declaring "very

successful" and "successful" was 58.7%, the rate of those declaring "I have no idea" was 6.7%, and the rate of those declaring "unsuccessful" and "very unsuccessful" was also 34.6%.

Table 5. Success level of Sugar Beet Growers Cooperative

Success status	Number of partners	(%)
Very successful	8	10.7
Successful	36	48.0
No idea	5	6.7
Unsuccessful	13	17.3
Very unsuccessful	13	17.3
Total	75	100.0

Source: Sağlam, U., İnan, İ.H., 2013 [24].

The success status of the Producer Associations, one of the producer organizations, was examined and given in Table 6. When the table is examined, the rate of those stating "very successful" was 5.9%, the rate of those stating "successful" was 61.7%, the rate of those stating "no idea" was 1.5%, the rate of those stating "unsuccessful" was 20.6%, and the rate of those stating "very unsuccessful" was 10.3%. Accordingly, the success rate of Producer Associations in the region was 67.6%, and it was quite high.

Table 6. Success level of Producer Association

Success status	Number of members	(%)
Very successful	4	5.9
Successful	42	61.7
No idea	1	1.5
Unsuccessful	14	20.6
Very unsuccessful	7	10.3
Total	68	100.0

Source: Sağlam, U., İnan, İ.H., 2013 [24].

Table 8. General success levels of POs

POs	Number of members/partners	Very successful (%)	Successful (%)	No idea (%)	Unsuccessful (%)	Very unsuccessful (%)	Total (%)
Chamber of Agriculture	218	3.7	49.1	1.8	31.2	14.2	100.0
Agricultural Credit Cooperative	163	2.5	66.3	1.2	19.6	10.4	100.0
Stud Breeders Association	140	10.0	58.6	5.7	17.1	8.6	100.0
Agricultural Development Coop.	101	10.9	61.4	4.0	8.9	14.8	100.0
Sugar Beet Growers Cooperative	75	10.7	48.0	6.7	17.3	17.3	100.0
Producer Association	68	5.9	61.7	1.5	20.6	10.3	100.0
Irrigation Cooperative	32	9.4	28.1	3.1	31.3	28.1	100.0

Source: Sağlam, U., İnan, İ.H., 2013 [24].

The last of the producer organizations investigated in the region is the Irrigation Cooperative. Irrigation cooperatives are established by the producers owning land within the irrigation field with the request of the Special Provincial Administration or the Provincial Directorates of State Hydraulic Works being in charge of the establishment of irrigation facilities. Thus, the management of irrigation facilities is transferred to cooperatives, and irrigation services are provided to the producers. Cooperatives give this service to producers for a certain fee, and the income obtained is also used for the maintenance, repair, and deficiencies of irrigation facilities.

Table 7. Success level of Irrigation Cooperative

Success status	Number of partners	(%)
Very successful	3	9.4
Successful	9	28.1
No idea	1	3.1
Unsuccessful	10	31.3
Very unsuccessful	9	28.1
Total	32	100.0

Source: Sağlam, U., İnan, İ.H., 2013 [24].

The rate of producers uttering that the Irrigation Cooperative was "successful" was 37.5%, and the rate of those uttering that it was "unsuccessful" was 59.4%. These rates show that the Irrigation Cooperative was not giving service adequately to the producers. Information about the success status of producer organizations was given in Table 8. Accordingly, the Agricultural Development Cooperative ranked first with a rate of 72.3%.

It was followed by the Agricultural Credit Cooperative with 68.8, the Stud Breeders Association with 68.6%, the Producer Association with 67.6%, the Sugar Beet Growers Cooperative with 58.7%, and the Chamber of Agriculture with 52.8%. Of unsuccessful ones, the Irrigation Cooperative ranked first with 59.4%. This was followed by the Chamber of Agriculture with 45.4% and the Sugar Beet Growers Cooperative with 34.6%. Producer organizations in the region were generally successful.

### **Problems of POs**

The basic purpose of the organization of producers is to achieve a certain goal together. They encounter some problems in order to achieve these goals determined [19]; [21]. In order to be able to cope with these problems, the organization's management should know about the objectives of the organization and the legislation [12].

In the study, in light of the information obtained from both the organization's members/partners and the producers in the organization's management, the problems of the POs were revealed and given in Table 9. According to this, the rate of the producers thinking that the POs had a "Managerial Problem" was 26.1% and the rate of the producers expressing that they had a "Financial Problem" was 21.4%. 18.3% of the producers also stated that POs had a "Supervisory Problem". This was followed by Education with 16.1%, Top Organization with 8.6%, and Legal Problems with 3.9% respectively.

These problems were explained below.

#### ***Managerial problems***

From an organizational point of view, management is to ensure harmony, planned, and orderly work of all elements in an organization for the purposes determined [22]. This task is performed by the organization's management.

However, management is a complex and multidimensional function. Managers to fulfill this function must have technical, human relations, and conceptual skills. Of these, the technical dimension states the manager's functional expertise field; the

human relations dimension related to the human element is trying to achieve results with others; the conceptual dimension refers to the manager's ability to see entire of the organization as a whole [14]. The existing process for the realization of management activities is planning, organization, execution, coordination, supervision, and manager tendency [5]. The most important thing is to be able to ensure that these functions related to management are carried out with the least error.

The POs must continue their organizational activities to achieve specific aims. However, many factors especially management and labor force opportunities can affect organizational activities positively or negatively. For example, in a study conducted in Germany, organizational problems were stated to primarily result from human resources [26].

The most important problem related to the POs was determined to be management problems with a rate of 26.1%. Successful management is also the best means for the success of organizations. While the timely and correct decisions of organizational management are effective in the success of the organization, organizations can experience difficulty due to wrong and delayed decisions of organizational management. Successful and educated management is also important for the effective use of organizational resources. In this context, organizational resource use efficiency can only be measured by the success of the management.

#### ***Financial Problems***

In the analysis of the survey data, the second problem of the POs was determined as financial and this rate was found 21.4%. The fact that there is no Cooperatives Bank for the financing of the agricultural sector in Turkey and that the Agricultural Bank also serves non-agricultural sectors causes financial problems for the POs. That the government should create a low-cost, long-term, and easy financial system for producers and POs will be important in solving financial problems [24].

Table 9. Problems of POs

Problems	Number of members/partners	(%)
Managerial	94	26.1
Financial	77	21.4
Supervisory	66	18.3
Organizational Awareness, Education and Research)	58	16.1
Top Organization (Horizontal Integration and Inter-organizational Cooperation)	31	8.6
Legislation (Legal Problems)	14	3.9
Non-responders	20	5.6
Total	360	100

Source: Sağlam, U., İnan, İ.H., 2013 [24].

In Turkey, the other cooperatives excluding Agricultural Credit Cooperatives cannot benefit from agricultural loans. Because they do not have sufficient assets or capital stock to provide collateral for the credit. Thus, the crediting system should be created for the POs and the crediting system should be applied by cooperatives bank or Agricultural Credit Cooperatives.

Support payments for the agricultural sector must be performed through the POs. Some expenses of producer organizations should be subsidized by the state and producers should be supported indirectly. The tax exemption should be applied to the POs.

Finally, organizations must have sufficient and balanced capital for their development and continuity [29]. A strong financial structure means a strong PO, and a strong PO also means a strong economy.

#### **Supervisory Problems**

Supervision of cooperatives is important in terms of the quality of operated services in cooperatives. Supervision is also important for the development of a government-organization relationship. In Turkey, the supervision of cooperatives is carried out by more than one Ministry and even more than one supervision unit affiliated with the same Ministry. It is very important in terms of the quality of the supervision that supervision is carried out by specialized supervision cooperatives. For example, supervision cooperatives in Germany take an active role in the supervision and development of cooperatives. Such cooperatives to guide cooperatives should be established in Turkey [24] and [8].

By the item of the Constitution, "The government takes measures to ensure the development of cooperatives primarily aiming at increasing production and protecting the consumer by taking into account the benefits of the national economy", agricultural organization and especially cooperativeness will be encouraged and supported. However, the policies having been applied in this regard could not be effective in the formation of real cooperativeness. While important steps were taken regarding the autonomy of cooperatives, the expected improvements could not be realized due to the decrease in public support and applied policies.

It is also necessary to dwell on the relationship of agricultural organizations with politics. In principle, it is natural for agricultural organizations to be pertinent to politics. However, this interest should be limited to national policies and agricultural and producer problems.

62.5% of the producers noticed organizations as their own organizations, 7.8% of them as government-controlled, and 10.8% of them as state-run organizations. First of all, the producers should know that the organizations are their own and should play an active part in the formation of their national policies regarding the organization.

#### **Organizational Awareness, Education and Research Problems**

The existence of conscious individuals believing in the real benefits of the organization is important in the development of agricultural organizations. An effective organizational activity is possible with training and research to be made in this field. With the training activities to be conducted,

organizational awareness and organizational activity will have developed in the agricultural sector.

For a strong and effective organization and cooperatives, producers must believe in and adopt this topic. In other words, producers' education is important for an active organization. Already, "Education" is one of the basic cooperativeness principles.

Although education activities are conducted by the government, every organization and especially the top organizations that want to be successful in their field should pay attention to "farmer education". Producers should be given the awareness of acting jointly not only via information but also through various training activities. These can be in the form of meetings, demonstrations of new products, and encouraging competitions [24].

Within the scope of the Agricultural Extension Development Project put into practice by the Ministry of Agriculture and Forestry, it should be benefited Agricultural Engineers and Veterinarians employed in towns and villages for informing the producers.

The number of institutions training on directly the PO is few in Turkey. Thus, the PO should be placed more in the curricula of faculties of agriculture and vocational high schools that give widespread education.

It is very important to carry out research that will produce solutions to the problems in the field of organization and to support them by producer organizations and cooperatives. In this regard, relevant research institutions, especially universities, should be made more active. Coordination should be ensured between ministries, universities and producers, and continuous and permanent education-extension projects should be developed.

#### ***Top Organization (Horizontal Integration and Inter-organizational Cooperation) Problems***

The top organization of cooperatives states the vertical organization of cooperatives in the pyramid form from the bottom up from the unit cooperative to the national union in a

country. In other words, top organization means the organization of cooperatives in the form of unions, central unions, and national unions [17].

In the top organization of agricultural cooperatives in Turkey, the authorization to determine the region where the unions will be established has been granted to the Ministry of Agriculture and Forestry. In this context, by coming together of at least 7 agricultural cooperatives, cooperatives unions were constituted, and by coming together of 7 cooperatives unions, national central unions were constituted.

There is complexity in the top organization of cooperatives in Turkey. Especially, instead of a top organization with the same name, Agricultural Development Cooperatives have a top organization in different regions according to their working subjects. Likewise, if an Agricultural Development Cooperative is engaged in animal husbandry activities, it must be a member of the top union of Animal Husbandry Cooperatives, and if the same cooperative is engaged in forestry, it must be a member of the top union of the Forest Cooperatives. However, the fact that the organization is a continuation of unit cooperatives instead of working subjects will also eliminate this complexity.

Real organization can only be with a strong top organization. The top organization has indisputable importance both for the continuation of unit organizations and for the protection of the rights of producers.

Cooperation between cooperatives is one of the basic cooperativeness principles. Especially cooperatives activating in the same field should be organized in the way unions, central unions, and national unions and should cooperate in the international field. In fact, professional organizations, cooperatives, and other producer organizations should act in unison.

#### ***Legal (Legislation) Problems***

In the research, it was stated that one of the main problems of POs is legal problems. There are the POs established according to very different laws in the agricultural field in Turkey. For example, in addition to the



cooperatives specializing on a product basis and having a rooted history, a different structure was supported by the government by being introduced the Producer Associations Law in 2004.

Organizations established by different laws are the biggest obstacle in front of a real and effective organization in the agricultural sector. Therefore, legal complexity needs to be eliminated.

The fact that cooperatives and other organizations in the agricultural field are legally related to different Ministries can also be considered a separate problem.

In that respect, first of all, the laws regarding agricultural cooperatives should be unified within the framework of Law No. 1163, and all the cooperatives and organizations related to agriculture should be connected to the Ministry of Agriculture, and Forestry [17].

Although agricultural organizations activate in almost the same fields, they are seen as rivals of each other, since they do not have clear-cut job descriptions. For example, while cooperatives also conduct activities marketing their products as well as the input procurement to their members/partners, other agricultural organizations can also activate in the same fields. While producer associations do not have product marketing authorization, the Stud Breeders Association also carries out the task of marketing products. For this reason, the duties of the organizations should be defined correctly, and applications to compete with each other should be avoided.

Appropriate, long-term, and consistent policies should be determined by the government, necessary legislative arrangements should be made, and above all, a civil organization should be adopted for agricultural organizations to be able to carry out salutary and relevant studies on their own duty fields. The legislation to be regulated should not be complicated, should be understandable, and easily applicable.

## CONCLUSIONS

In the research, producer organizations were examined separately according to their

success and Agricultural Development Cooperative was found as a successful producer organization. Stud Breeders Association ranked 2nd and Agricultural Credit Cooperatives ranked 3rd. Though the most unsuccessful one was the Irrigation Cooperative, the POs were generally successful in the research region.

As in other organizations, the most important factor for the success of the POs is the governing body. Managers who know the law, articles of association, and legislation well, establish good relations with their members/partners and have the ability to represent are successful. Members/partners should be interested in the works of organizations, support the management, participate in general boards and make the necessary supervision.

For organizational success, members/partners should also be provided with marketing services. The POs, especially cooperatives must implement the contracted production model with industrial organizations, procure input for members/partners and market their products. It would be the rightest choice for cooperatives established for economic purposes, to play an active part in this regard. It was determined that the POs in the region have some organizational problems and these problems resulted from both inside the organization and outside the organization. Of these, managerial problems rank the 1st. This was followed by financing, auditing, training, superior organization, and legislation problems, respectively. Thus, the management of the organization must know well the aims, principles, and legislation of the organization. Managers should make an effort to fulfill organizational activities, inform their members/partners in all respect, and exhibit transparent management. Members/partners should also give support to the managers in organizational work, take over responsibility, and state their opinions openly by participating in the general assemblies.

As a result, the way to be developed, modern and social society is to be an organized society. Producers should know that the only

way out is to act in unison and they should care about their organizations. In Turkey, where small-scale farms are common, modern and economical agriculture is only possible with producer organizations. For this reason, there is a need for producer organizations that are well-managed and whose members/partners give support.

## REFERENCES

- [1]Chlebicka, A., 2015, Producer Organizations in Agriculture-Barriers and Incentives of Establishment on the Polish Case. *Procedia economics and finance*, 23, 976-981.
- [2]Demirhan, S.A., Yenilmez, M., 2019, Current situation, problems and solution of dairy cattle enterprises in Uşak province. *Turkish Journal of Agriculture-Food Science and Technology*, 7(12), 2198-2203.
- [3]Demirhan, S.A., 2019, Sheep farming business in Uşak city of Turkey: Economic structure, problems and solutions. *Saudi Journal of Biological Sciences*, 26(2), 352-356.
- [4]Domagalska-Grędyś, M., 2012, Development of farms through group activities of producers (Rozwój gospodarstw rolnych poprzez działania grupowe producentów). Wydawnictwo Uniwersytetu Rolniczego.
- [5]Efil, İ., 2015, Management and Organization in Enterprises. Dora Publishing, Bursa, pp.508.
- [6]Giray, F.H., Akin, A., Gün, S., 2004, New Perspectives on Rural Development. Turkey VI. Agricultural Economics Congress, 161-168.
- [7]İnan, İ.H., Direk, M., Başaran, B., Birinci, S., Erkmen, E., 2005, Organization in Agriculture. Turkey Agricultural Engineering VI. Technical Congress. 1133-1154, Ankara.
- [8]İnan, İ.H., 2008, Agricultural Cooperatives in Turkey and the EU Model. İstanbul Chamber of Commerce Publication No: 73, İstanbul.
- [9]Kadioğlu, Y., 2007, Geographical Features of Poppy Agriculture in Uşak. *Eastern Geographical Review*, 12(18), 165-186.
- [10]Kara, H., Dönmez Şahin, M., Ay, Ş., 2010, The Effect of Climate Changes on Agricultural Products in Uşak Province. *Research Journal of Biology Sciences*, 3(1), 39-46.
- [11]Kılıç, B., 2011, Analysis of Member-Cooperative Relationships in the Agricultural Development Cooperatives in Samsun Province of Turkey. Ondokuz Mayıs University, Graduate School of Natural and Applied Sciences, Department of Agricultural Economics, Master Thesis, Samsun.
- [12]Kılıç Topuz, B., Bozoğlu, M., 2016, Factors effective to trust in Agricultural Producer Unions of Samsun. XII. National Agricultural Economics Congress, 721-730, 25-27 May, Isparta.
- [13]Kızıloğlu, S., Kadanalı, E., Doğan, N., 2011, Comparison of Turkish and World Agricultural Producer Organizations. *Regional and Business Studies*, 3(1 Suppl.), 265-270.
- [14]Koçel, T., 2020, *Business Management*, Beta Press, İstanbul, pp.759.
- [15]Mengi, A., İşçioglu, D., 2019, Rural Development and Cooperativeness. Ankara University Publications No.: 658, Ankara, pp.729.
- [16]Mercoiret, M., Pesche, D., Bosc, P.M., 2008, Rural producer organizations (RPOs) for pro-poor sustainable development. In report of the Paris workshop (30-31 October 2006), WDR.
- [17]Mülayim, Z.G., 2019, Cooperativeness. Yetkin Publishing. Updated Edition, Ankara, pp.595.
- [18]Newbold, P., 1995, *Statistics for Business and Economics*, Prentice-Hall International, New Jersey.
- [19]Özalp, A., Yılmaz, İ., 2014, New Generation Cooperatives and Analysis of Problems of Cooperatives in Turkey. XI. National Agricultural Economics Congress. 1266-1273, Samsun.
- [20]Özdemir, G., Keskin, G., Özüdoğru, H., 2011, Economic Crisis in Turkey and the Important of Agricultural Cooperatives. *Journal of Tekirdag Agricultural Faculty*, 8(1), 101-113.
- [21]Rehber, E., 2009, *Organization in Agriculture and Problems*.
- [22]Sabuncuoğlu, Z., Tokol, T., 2001, *Enterprise*, Ezgi Publishing, Bursa, pp.362.
- [23]Sağlam, U., İnan, İ.H., 2014, Overview of Agricultural Producer Organization in Turkey. XI. National Agricultural Economics Congress. 1250-1254, Samsun.
- [24]Sağlam, U., İnan, İ.H., 2013, Agricultural Producer Organization and Structural Problems in Uşak. Namık Kemal University Graduate School of Natural And Applied Sciences Department of Agriculture Economy, Unpublished Ph. D. Thesis, p.199.
- [25]Tagat, V., Tagat, A., 2016, The potential of farmer producer organizations in India. [https://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=2972488](https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2972488), Accessed on 17.02.2022.
- [26]Wicker, P., Breuer, C., 2013, Understanding the Importance of Organizational Resources to Explain Organizational Problems: Evidence from Nonprofit Sport Clubs in Germany *Voluntas* (2013) 24:461–484.
- [27]Yıldız, E., Çolak, A.M., 2018, Present condition of apple production in Uşak province. *International Journal of Agriculture Forestry and Life Sciences*, 2(2), 189-193.
- [28]Yıldız, A., Duru, A.A., 2019, Investigation of chicken meat consumption habits in terms of improvement of broiler breeding: a case study of Uşak Province. *Turkish Journal of Agriculture-Food Science and Technology*, 7(6), 833-839.
- [29]Erbaş, N., Sağlam, U., 2018, Structural Problems of the Turkish Agricultural Sector, and Suggestions. II. International Scientific and Vocational Studies Congress Book, October 2018, p.1088-1093.