An Empirical Test of the Agency Theory in Corporate Governance of Saccos in Uganda

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Abstract

In a corporation, management is employed by owners for specified functions from which utility of owners and management is to be derived. While executing their roles and obligations, management may consider fulfilling their interests at the expense of owners? interests and vice versa. This results into agency problems. This study tests the relevance of the agency theory and examines whether existing governance mechanisms and ownership structure address agency problems in Savings and Credit Cooperatives (SACCOs) in Uganda. To accomplish this, a mixed research (both quantitative and qualitative) design is used. Self-administered questionnaire and personal interviews about: utility of owners and management, and governance mechanisms and ownership structure are administered onto the respondentskey informants-selected through stratified sampling of SACCOs in Uganda. Respondents? perceptions about utility levels of owners and management, and governance mechanisms and ownership structure within the studied SACCOs; are analyzed using a 5-point Likert scale. From a sample of 252 SACCOs with minimum of 10 years of experience; by regional concentration; majority SACCOS (40

Index terms— corporate governance; agency theory; saccos in uganda.

owners for specified functions from which utility of owners and management is to be derived. While executing their roles and obligations, management may consider fulfilling their interests at the expense of owners' interests and vice versa. This results into agency problems. This study tests the relevance of the agency theory and examines whether existing governance mechanisms and ownership structure address agency problems in Savings and Credit Cooperatives (SACCOs) in Uganda. To accomplish this, a mixed research (both quantitative and qualitative) design is used. Self-administered questionnaire and personal interviews about: utility of owners and management, and governance mechanisms and ownership structure are administered onto the respondentskey informants-selected through stratified sampling of SACCOs in Uganda. Respondents' perceptions about utility levels of owners and management, and governance mechanisms and ownership structure within the studied SACCOs; are analyzed using a 5-point Likert scale. From a sample of 252 SACCOs with minimum of 10 years of experience; by regional concentration; majority SACCOS (40%) are in Western Uganda followed by Central region (29%), Eastern (20%) and lastly Northern region (11%). Over 78% have membership of over 1000 shareholders. By level of education, majority management board members (65.1%) have a minimum of degree as academic qualification; with male gender dominance (91.7%).The computed average welfare index for SACCO owners is 4=disagree (=bad welfare). The computed average welfare index for SACCO management is 2.7=agree (=good welfare). This shows divergence in achieving agent-principal objectives; a signal to existence of agency problem against the SACCO owners. Examining whether governance mechanisms and ownership structure impacts on SACCOs' problems, five corporate governance mechanisms: board size, CEO/chairman duality, independence of the board, remuneration of the board, and presence of an audit committee are used in evaluating probability of having agency problems within SACCOs. Experience/age and size of the SACCO are used as control variables.

On corporate governance mechanisms, generally SACCOs have: less CEO duality, bigger size of the board (above 6 members), more non-executive directors, higher board remuneration, and majority have audit committees. The marginal effects from the probit regression indicate that mechanisms that have reduced agency problems with in SACCOs are: existing Board remuneration, board size, independence of non-executive directors, and presence of audit committees.

1 Introduction and Motivation

t is generally impossible for owners (principals) in a modern public firm to be charged with responsibility for corporate operations. Hence, they delegate agents to manage operations in their interests. Naturally in this milieu governance problems such as conflicts of interest occur, particularly if shareholders are disappointed by their return on investment. Principals must weigh the costs of monitoring and controlling agents (agency costs) against the costs they are likely to incur from negative managerial behaviors in the absence of efficient monitoring and control. Thus, corporate governance issues arise due to the necessity of counteracting agency problems (Aguilera et al., 2012) and fundamentally from shareholders' attempts to protect themselves from the expropriation of their wealth Caylor & Brown, 2006).Corporations generally have an organizational framework wherein there is a fundamental separation of ownership and control between principals and agents. In the relationship between them, the owners (principals) hire managers (agents) to run the firm in their best interests, compensating the latter for their efforts, generally in pecuniary form like salary and bonuses (Marashdeh, 2014). While executing their roles and obligations, conflicts of interest can arise due to the divergence of the interests of managers and shareholders. All these precepts rotate around the premises of the agency theory. Would the existing corporate governance mechanisms be blamed for the woes of SACCOs? Following agency theory, this study investigates the possible governance mechanisms (dispute-avoidance approaches) that can mitigate conflicts within SACCOs in Uganda. The significance of this paper is to help SACCOs work on their corporate governance mechanisms for better performance.

2 II.

3 Back Ground

In Uganda, Savings and Credit Cooperatives SACCOs are a category of micro finance institutions MFIs. The financial position of SACCOs was heightened by the launch of the government's "Prosperity for All" program intended among other interventions to address inadequate access to financial services. This program is designed to use a SACCO-per sub-county strategy to channel both agricultural and commercial loans at below market rates to borrowers. The government mandated that all members be leaders in the SACCO through democratically elected governance. In Annual General Assembly, members elect the board (5-9 members) and board committees. First is the supervisory-audit committee (composed of 2-3 members) is also elected by the general assembly. Management and staff is appointed and supervised by the Board (Kyazze, 2010).

There is regional disparity in formation and success of SACCOs in Uganda. Western Uganda, particularly Ankole region boasts over 300 vibrant SACCOs i III.

4 Agency Theory

.Obara (2014) thinks that a more enlightened population and vibrant economic activities in Western and Central regions have contributed to the relative success of SACCOs in there as opposed to the Northern and Eastern regions. The Sunrise (2017) finds many SACCOs in western Uganda with more developed innovative products than other regions. Sadly, across the country, employees of different SACCOs have exploited loopholes in the law to mismanage or steal members' money. They sometimes lend to themselves at no cost, to relatives, or exaggerate the costs of different activities. This has made some collapse fully. Obara (2012) attributes failure of SACCOs in Uganda to: first, illiterate board committee members who lack basic skills to effectively supervise operations. Second, collusion: where there are increasing cases of highly placed individuals (in politics, Government and SACCO boards) who influence lending large sums of money (often without security) that is later defaulted; and third is fraud and mismanagement by board executives and management. Where in all these causes does corporate governance fall? This paper uses agency theory to explore the role of corporate governance in SACCO woes.

The theory posits that in the presence of information asymmetry, the agent (in this case directors and managers) is likely to pursue interests that are not favorable to the principal or shareholders. Agency theory has its roots in economic theory and was fully developed by **??**ensen and Mackling (1976). It explains the relationship between principals, such as shareholders and agents such as the firm/organization's management committee and managers. In this theory, members (principal) who are owners of the firm elect the management committee to run the operations of the firm. The board members then delegate the running of the business to the managers and employees. The members expect the agents to act and make decisions in the principal's interest. On contrary the agent may not necessarily make decisions in the best interest of the principals. He may succumb to self-interest, opportunistic behavior that falls short of congruence between the aspirations of the principals and those pursued by the agents. Main reasons agents can be anticipated to expropriate the principals are related to their own job security, status and remuneration. The principal may then reap less than expected utility. This results into agency problems.

The assumption of information asymmetry in agency theory results into adverse selection and moral hazard problems. Adverse selection arises because principals cannot correctly verify the skills or abilities the agent claims to possess at the time of hiring, they might not be able to select the best applicant or to know whether the agent shall perform or not. Moral hazard appears when agents fail to put in the required effort in the best interests of the principal. Agents may shirk. Because the principal might not know this fully, they need information to monitor the effort level and measure it in order to reward it correctly. High effort exerted should be rewarded accordingly but in practice, agents who underperform or shirk attract higher rewards resulting into big financial losses and agency costs. Good corporate governance should minimize this.

Within a firm, the Board of Governors forms the topmost-corporate level of management through which adequate monitoring of the agents' efforts and activities is done. The board should equally represent the interests of firm owners and those of management if agency problems are to be minimized. Within SACCOs, management committees may make decisions and act in a manner that is not in the best interest of the principal. When this happens, the principle (owners) demands a leadership style that demonstrates integrity and fairer judgment in directing the affairs of the Sacco. This is directed to the Board of Directors, the top most management organ of SACCOs. The board is responsible for resource planning, forecasting as well as monitoring and control of the actions of the agents. The board also offers financial incentives to agents to make them reduce shirking and act in the best interest of the principals. Agency theory suggests that due to the separation of ownership and control in modern firms, agents are less likely to always work in the interests of principals. Shareholders thus, need to use internal corporate governance mechanisms to monitor managers' activities to induce them fulfill their contractual obligations. The extent in which SACCOs corporate governance mechanisms reduce agency problems is what is hereafter being investigated.

5 IV. Corporate Governance Mechanisms

Corporate governance is an integral part of the strategic management and is an essential element of modern business and management approach with differing definitions. This study uses Oguz and Dincer's (2017) definition that corporate governance is a set of mechanisms that induce the self-interested controllers of a company to make decisions that maximize the value of the company to its owners. Rwegasira **??**2000) shows that good corporate governance prevents the expropriation of company resources by managers, ensuring better decision making and efficient management. In Kenyan SACCOs, Makai and Olweny (2017) find a great importance of corporate leadership in survival of cooperatives.

Zunaidah & Nor's (2015) paper examines the effects of governance mechanisms of dividend, types of ownership structure, and board governance on firm value. Their paper utilizes a panel data analysis of 403 firms listed on the Bursa Malaysia over a four-year period from years 2002 to 2005. A hierarchical regression analysis is used to test the hypotheses and the data is analyzed using the generalized least square (GLS) estimation technique. Overall, their results highlight the importance of moderating role played by board governance variables with types of ownership structure to influence firm value. However, the benefits of better corporate governance through enhanced board governance are not the same across all firms since their incentives vary with respect to dividend and different types of ownership structure mechanisms.

Within a firm, there can be different corporate governance mechanisms and Anyanga (2014) shows that such mechanisms can help reduce agency problems. These include: Non-Executive Directors NEDS-board independence, Board size, CEO duality, director's remuneration and presence of an audit committee.

6 a) Non-Executive Directors NEDS-board independence

Agency theory proposes that when the board of directors is independent from executives, proper monitoring and supervising executives happens. This is because the independent board is more concerned about their own reputations. The primary role of the Non-Executive Directors NEDs is to ensure managerial compliance. That is to monitor and if necessary control the behavior of management to ensure it acts in the shareholders' best interests. Therefore, agency theory predicts a causal, negative relationship between agency conflicts and the presence of NEDs. This prediction is supported by empirical findings **??**

7 b) Board size

This is one of the highly researched about corporate governance mechanism. The outcome on agency problems has mixed results. For example, Oguz and Dincer (2017) find a positive relation between board size and agency problems to the extent that as board size increases, the problems of coordination and communication also increase. However, Mudashiru et al., (2014), Mbu-Ogar, Effiong and Abang (2017) and Summon (2017) find a negative relationship between board size and agency problems. Larger boards are found to improve quality of monitoring and reduce agency problems.

8 c) CEO duality

Good corporate governance suggests that the chairman board and general manager of the company should be different (CEO duality). When this happens, agency problems reduce. Syriopoulos et al., (2012) emphasize that the primary considerations of the chairman board include remunerating the CEO and overseeing the board while the CED is mandated to mind about daily activities of the organization. Thus, joining of these roles in one person can result in increasing agency problems by diluting the effectiveness of monitoring the managers' activities and efforts. This suggests that CEO duality (rather than separation of powers) raises agency problems.

9 d) Board Remuneration

When directors are well remunerated, their morale is raised to perform and do their primal role. This is expected to reduce agency problems. However, higher remuneration shoots up overall agency costs resulting into agency problems. To empirically test this, Zunaidah and Nor (2015 measure director's remuneration as a ratio of their remuneration to profit and loss of the firm. They find positive and weak relationship.

10 e) Presence of an audit committee

Theoretically, audit committees are a subcommittee of the board of directors mandated to provide a formal communication between the board, the internal monitoring system, and the external auditor. This committee is supposed to do trouble shooting and inform relevant stakeholders in time. In Nigeria, Mudashiru et al., (2014) find a negative relationship between audit committee and agency problems. This is similar with Effiong and Abang's (2017) finding in Nigerian manufacturing industry. The purpose of this study is to investigate whether SACCOs have this committee and how this affects agency problems.

11 f) Age of the organization

Economics theory posits that old companies have more experience and skills in tackling agency problems. This is supported by Zunaidah and Nor (2015).

12 g) Firm size

Economics theory posits presence of wellestablished management structure by large than small companies. Thus, large firms are expected to have a well-established corporate management including the board. Zunaidah and Nor (2015) finds that lager firms better comply with the advice of the board and other stakeholders compared to young and small firms.

However, agency theory postulates that the probability of facing agency problems (increased monitoring costs) is higher for large firms because of diseconomies of scale compared to smaller firms.

V.

13 Methodology

To test the relevance of the agency theory in corporate governance of SACCOs in Uganda, a mixed research design is used. The dependent variablepresence of agency problems is binary measured: presence/absence of problems which is gauged from comparing the level of perceived utility of the principle (owners) and that of agents (management) given the respondents' response indices. Corporate governance mechanisms are assessed using 5 components: board size, CEO/chairman duality, independence of the board (non-executive directors), board remuneration, and presence of an audit committee. Respondents' perceptions on the asked questions are analyzed using the 5-point Likert scale (Strongly agree, agree, neutral, disagree and strongly disagree).

Using self-administered questionnaire (both open-ended and closed questions) and personal interviews, data is collected from key informants (Corporate management: board members, directors, and top and middle-level managers) and randomly selected principles (shareholders).To make the study so representative of all SACCOs in Uganda, a stratified sampling design is used given the 4 main regions in the country and stratum sample is based on regional population of SACCOs. Thus, 4 strata are formed by region (Western 97=38.5%; Central 68=26.9%; Eastern 51=20.2%; and Northern 36=14.3%).

Purposive sampling is used in data collection because some technical questions about corporate governance mechanisms could only be answered by top management of the SACCO-personnel with some years of experience in the same position. Random sampling was only used on shareholders in the SACCOs. For accuracy and validity of responses, some questions that are asked to management are also asked to owners. Because the response variable is binary categorical, following Green (2011), a probit/logit regression can be used in estimation of the effects. Both yield the same results.

Econometric model for estimation appears as in equation 1 below:???????? ????_?????????? = ?? + ?? 1 ??_?????? + ?? 2 ??_???????? + ?? 3 ???????? + ?? 4 ???????? + ?? 5 ???????? + ?? 6 ?????? + ?? 7 ?????????????? + ?? ? ? ? ? ? ? ? ? ? ? ? ? ? ? . .**(1)**

Where: ????????

14 Findings

Majority of these SACCOs had over 10 years of existence (age since inception). On SACCO membership, a greatest proportion (79%) had membership of over 1000 shareholders (table 1). On the level of education for the Board members, majority (65.1%) reported having a degree and above. Gender composition of Board members reported male dominance (91.7%). On welfare of shareholders, the average index of 4.00 implies that their welfare within the SACCO is not well met. This is because majority respondents generally disagree on having shareholder welfare being metdividends, transport refund, lunch and refreshments on attending annual general meetings AGM (table 3).

15 c) Governance mechanisms

Several questions on various governance mechanisms used by SACCOs were asked. About CED Duality: the question of whether the chairman board simultaneously works as the SACCO general manager had a majority response of 5 implying that majority respondents strongly disagree on presence of board duality. Size of the Board: the question on whether the Board is composed of more than 6 members had a majority response of 2 implying that majority respondents agreed that their SACCOs had a big size: more than 6 members. Non-executive directors NEDS: the question on whether the BoG is composed of more members who are full time employees in this SACCO (independence of the board) had best response of 5. Majority disagreed with the statement about board independence. This implies that most SACCOs in Uganda have majority Board members who are full time employees within their firms. Presence of an audit committee: the question on whether the SACCO has an audit committee yielded an overall response of 1 implying that majority respondents strongly agree (5) that their SACCOs have an audit committee (table 4).

16 d) Financial challenges

On financial challenges of the SACCO, the average index of 1.8 implies that majority respondents agree that there are financial challenges within SACCOs: loss of funds due to financial mismanagement, and legal battles which have culminated into expulsion or disappearance of SACCO executives (table 5). This is partly a cause and manifestation of agency problems.

Year 2019 ( )

17 B

The chairman board is also the general manager of this SACCO 2. The number of Board members is more than 6 3. The BoG is composed of more members who are full time employees in this SACCO. 4. The board BoG takes at least 5% of annual profits in remuneration 5. The SACCO has an audit committee 6. Some members who own 5% or more, of the total share capital in this SACCO are part of management 7. Management is compelled to own shares in the SACCO 8. Some members in this SACCO who own at least 5% and above share capital are group registered as: i. Companies ii. NGOs/CBOs iii. Religious bodies iv. Schools ???? _?????????? = 0.021 ? 0.870?? ? ?????? ? 0.321?? ? ???????? ? 0.132???????? ? 0.436???????? + 0.504???????? ? 0.419 ?????? + 0.714???????? ???????? ??????????????????????????????.(2)

Accordingly, all the variable coefficients are statistically significant (significant levels: 1, 5 and 10%).

18 VII.

19 Discussion of Results

All other factors held constant, SACCOs in Uganda have a 2% probability of developing agency problems. This is the message from the value of the coefficient constant (0.021). Qualitative finding on board remuneration reveal that majority respondents strongly agreed that SACCO board members take at least 5% of SACCO profits in remuneration (Table 4, question4). To empirically test how this affects agency problems, the computed marginal effect (coefficient)for board remuneration suggests that an infinitesimal raise in Board remuneration B_Rem will likely reduce agency problems by 87%.The coefficient of -0.870 is statistically significant at 5% (95% confidence level).

It was expected that those SACCOs that remunerate their board members highly were affecting shareholders wealth so much to the extent of causing conflicts. However, the result in this study is contrary. Those SACCOs that showed a positive response to board remuneration manifest a low likelihood of having agency problems. This implies that a well remunerated board is Year 2019 ( ) B Table 7: more efficient at monitoring agents' activities and reduces agency problems than the board that is not well facilitated. When SACCO money is used to remunerate board members, they will exclusively conduct their important role of monitoring management dubious activities and agency problems will reduce. This finding concurs with Zunaidah and Nor (2015).

Results further show a negative relationship between board size and agency problems(-0.321). This suggests that reduction in board sizeB_Size raises the probability of having agency problems. Likewise, an increase in board size reduces chances of having agency problems by about 32%. Qualitative findings in table 4; question 2 reveal that majority respondents strongly agreed that their SACCOs have more than 6 board members. The Regulatory Act of SACCOs in Uganda provides board membership to between 6 and 9 members. This implies that for SACCOs to reduce agency problems, they should have board membership above the minimum number. Indeed, cases of documented failed SACCOs in Masaka (central region) and Lira (Nothern region)are partly attributed to absence of the Board(Obara, 2012).Though previous studies show a positive relation (Oguz & Dincer (2017) between board size and agency problems, the situation is different in SACCOs in Uganda. This is partly attributed to SACCO regulatory authority that limits Board membership to 9 members. This helps to reduce excesses that chip in into SACCO finances. This finding concurs with Mohamed's (2009) finding that larger boards improve quality of monitoring and reduce agency problems.

According to agency theory, the prime role of the Non-Executive Directors NEDs is to ensure agent's compliance through constant monitoring. Result here indicates that: other factors held constant, having more independent executive directors NEDs reduces the probability of having agency problems by 13%.SACCOs in Uganda that presented higher level of NEDs (outside directors) had fewer reported agency problems. This finding concurs with Oguz and Dincer (2017) who show that NEDs can add value to firms due to their external knowledge and expertise as well as their monitoring function. The study also finds that majority respondents showed presence of audit committees in their SACCOs (table 4; question 5) and the regression of audit committee AUDT on agency problems yields a positive relationship. This means that, despite of presence of audit committees, SACCOs have consistently had agency problems.

20 VIII. Summary and Conclusion

Conflicts, misunderstandings, fraudulent practices, appointment of unqualified staff, shirking by workers?are all a manifestation of agency problems within SACCOs in Uganda. Various corporate governance mechanisms (board size, remuneration, NEDS and CE Duality) have been tasted and have showed a high likelihood of reducing principal-agent problems. Audit committee presence that showed unexpected sign can be due to other factors not explained by this study. Thus, this study recommends adoption of good corporate governance practices to minimize likelihood of having agency problems. Suggested around the1970's, agency theory is still a relevant theory for identifying, analyzing and mitigating a firm's challenges including SACCOs in Uganda. [1]

1

	Observations	0-500 members	501-1000 members	1001-1500 members	1501-2000 members	Above 2000 members
Frequency	252	11	42	62	60	77
Percentage	100%	4.4%	16.7%	24.6%	23.8%	30.6%

Figure 1: Table 1 :

2

Questions	Response frequencies				
	Strongly agree	Agree	Not sure	Disagree	Strong dis- agree
Management members are paid a monthly salary	2	5	15	209	21
Manager is given allowance for extra duties done outside the SACCO premises	219	12	8	11	2
The purchased executive furniture SACCO recently	187	31	2	28	4
The SACCO usually spends on staff annual parties	2	28	0	174	48
The SACCO gives her staff free accommodation	3	12	0	213	24
The SACCO often spends on staff training for upgrading	14	29	0	175	34
Management often incurs heavy expenditures on luxury projects for their own interests	3	18	9	201	21
The board is well remunerated	186	65	0	1	0
The board remuneration-allowances-takes more than 5% of total profits/losses per year	108	111	11	18	4
Average index					2.72

Strongly agree = 1
Agree = 2
Not sure = 3
Disagree = 4
Strongly disagree = 5
Total observations =252

Source: Field data;

b) Welfare of shareholders

Figure 2: Table 2 :

3

Response frequencies

Figure 3: Table 3 :

4

Questions	Strongly agree	Response frequencies		Agree Not sure Disagree	Strongly disagree	Majority response
	0	1	0	8	243	5
	0	245	0	7	0	2
	0	0		2	250	5
	247		0	0	0	1
	282	09	0	12	0	1
	4	98	7	142		4
	23	211	0	15	3	2
	0	0	0	11	240	5
						5
	0	8	12	211	21	4
	9	12	01	98	132	5
	184	12	0	48	8	1
	20	24	1	203	4	4
Average index						3.2
Strongly agree = 1						
Agree = 2						
Not sure = 3						
Disagree = 4						
Strongly disagree = 5						
Total observations =252						

Source: Field data; June, 2018

Figure 4: Table 4 :

5

Questions	Strongly agree	Response frequencies Agree	Not sure	Disagree	Strongly disagree
In its life time, the SACCO has ever: had instances of funds mismanagement	6	213	0	15	18
	14	132	0	93	13
	64	101	0	55	32
	21	185	2	39	5
	32	187	1	32	0
	141	96	1	14	0

Average index
Strongly agree = 1
Agree = 2
Not sure = 3
Disagree = 4
Strongly disagree = 5
Total observations =252

Source: Field data; June, 2018

e) Adverse selection and moral hazard

Figure 5: Table 5 :

6

Questions	Strongly agree	Response frequencies Agree	Not Su	
There are instances when recruitment of workers has been through 'relations' but not 'qualifications'	39	137	8	50
Sometimes, managers don't put in enough of the required effort to run the SACCO	71	160	2	9

Average index
Strongly agree = 1
Agree = 2
Not sure = 3
Disagree = 4
Strongly disagree = 5
Total observations =252

f) Corporate governance mechanisms and agency problems in SACCOs
i. Model fit
Results on whether corporate governance mechanisms impact on agency problems start with variable selection. A stepwise probit regression at pr(0.05) is used to link governance mechanisms (structure of the Board of directors)with probability of having agency problems. Model selection sieves the best explanatory variables (table 7).

Figure 6: Table 6 :

7

Age_Probl	Coefficient	Std. Err.	Z	P>|z|
B_REM	-0.189	0.038	-4.78	0.006
NEDs	-5.807	0.086	9.32	0.002
B_Size	-0.129	0.082	3.01	0.004
AUDT	6.122	0.052	2.35	0.019
DUAL	-0.090	0.042	-2.14	0.032
Age	0.231	0.009	0.011	0.000
Size	18.113	0.123	0.072	0.008

Number of observations = 252
LR chi2(10) = 2908.92
Prob > chi 2 = 0.00012
Log likelihood = -2251.1659
Pseudo R 2 = 0.6925

Source: Field data; June, 2018

Given the values of the probabilities for the respective computed variable's Z-score at 95% confidence level (.05), all the 7 variables (table 11) are adequate and independent enough to explain agency problems within SACCOs in Uganda.

How governance mechanisms affect agency problems in SACCOs

Ag_prob	Marginal effects	P>|z|
B_Rem	-0.870	0.0021**
NEDs	-0.132	0.000*
B_Size	-0.321	0.021**
AUDT	0.436	0.000**
DUAL	-0.504	0.006**
Age	0.419	0.004*
Size	0.714	0.033***
Constant	0.021	0.000

Number of obs = 252
LR chi2(10) = 2949.20
Prob > chi 2 = 0.0000
Log likelihood = -2230.0381
Pseudo R 2 = 0.7980
*significant at (1)%
**significant at (5)%
***significant at (10)%

Source: Field data; June, 2018

Figure 7: Table 7 :

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