The main objective of this Project is to assess the efficiency and analyze problems of the Agricultural Marketing Societies in Kenya. As a policy oriented study one of the main thrusts is to throw some light on the problems of the co-operatives and to suggest a number of policy options which deserve consideration within the prevailing circumstances in the co-operative movement. Two main groups of respondents are involved in this study viz; the managing committee members and employees; and the ordinary society members. Personal interviews were conducted with society’s ordinary members in an attempt to assess their attitudes towards the service offered by their society - Nqong Hills Co-operative Society. The managing committee members were asked for their views en various issues relating to the performance of the society, the problems and nature of services that they offer to their members. Results indicate that the society's performance has been inefficient. The efficiency problems confronting this society are mainly managerial. The committee and employees' lack of adequate managerial knowledge, and business acumen can be held responsible for the poor performance. Further results showed that the society lack scientific and technical tools to control its overhead costs, inventory, assets purchase and replacement, and business transactions. Since the latter tools are lacking, this has led to fraudulent and dishonest acts on part of employees and committee members who tend to improve their economic positions at the expense of members. Co-operative education and training of both members and employees may contribute meaningfully to efficient performance. In addition, right incentives by promotion, in terms of increased responsibilities further education and attractive remuneration should be applied. Internal control on society’s business transactions, funds and assets should be improved. The management of the society should also be prepared to improve the quality and increase on number of services that they offer the ordinary members. The project is in five parts. The first part contains an introduction to the study, objective of the study and need for the study. The second part provides a theoretical framework concentrating on the history of the co-operative movement in Kenya; the socioeconomic importance of the co-operative societies; the problems of co-operative societies, and the development of the co-operative movement in the future. Details on the research methodology appears in the third part, and results presented in the fourth part. The questionnaires used in the survey are appended at the end of the study. The study is summarized and concluded in the fifth and final part.