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PERCEPTION OF THE EFFECTS OF MEMBERSHIP IN CO-OPERATIVE SOCIETIES ON THE SOCIOECONOMIC STATUS OF CO-OPERATORS IN KWARA STATE, NIGERIA

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ABSTRACT
This study examined the perceived effects of membership in co-operative societies on the socioeconomic status of co-operators in Kwara State, Nigeria. Specifically, the socioeconomic characteristics of co-operators were described and members' extent of participation and benefit derived in co-operative societies were determined. Multistage sampling procedure was used to select 120 select respondents for the study. Primary data were collected using interview schedule and described using frequency counts, percentages, mean and standard deviation while correlation analysis was used for inferential deduction. Results showed that majority (80.0%) of respondents were male and engaged in farming (75%) as major occupation. Majority (93.3%) always attended general meeting of their various co-operative societies, while 90% always contributed society monthly dues. Benefits enjoyed most by co-operators included credit service delivery to members (mean score = 2.78), market access for members' produce (2.52), skills acquisition program (2.07), capital formation for joint purchasing of input (2.04) and collective processing of farm produce (2.00). The least services enjoyed by co-operators were joint ownership of resources as collaterals in bank (0.98) and access to tractor use (1.18). Results of correlation analysis showed there was significant and positive relationship between socioeconomic status of co-operators and participation in co-operative activities (r=0.57) and benefits derived by members in co-operative societies (r=0.9). In conclusion, co-operators perceived that membership in co-operative societies could lead to high socioeconomic status. It is recommended that co-operative societies should leverage on co-operative resources as collateral to access bank loan so as to increase the benefits derived by co-operators and better enhance their socioeconomic status.
Keywords: Cooperative activities, participation, membership benefit, co-operators.

INTRODUCTION

Generally, a cooperative may be described as an association of persons who pool their resources together on mutual basis to solve specific socioeconomic problems (Otto and Ukpere, 2011). Cooperatives provide real economic benefits to farm families through increasing the stability of the farming sector, improving market access for their products and strengthening the farmers' position in the agri-food chain. Improving farmers' living conditions supports rural development and preserves the viability of rural communities (ILO, 2007).Cooperative organizations are thus widely recognized as necessary components of rural community development.

According to Wanyama, Develtere and Pollet (2008), cooperatives in Africa have significantly contributed to the mobilization and distribution of financial capital and have created employment and other income generating opportunities. Through community organizations, cooperatives serve as bases and platforms for bringing together economically weak members of the society with a view of enhancing their individual capacities (Alkali, 1991). Cooperatives aggregate people, resources and capital into economic units. Being voluntary, democratic and self-controlled business organizations, cooperatives offer institutional framework through which local communities gain control over productive activities from which they derive their livelihood (Wanyama *et al*., 2009). The cooperative values and principles are especially important in the rural context – self-help, self-responsibility, democracy, equality, equity, and solidarity, the ethical values of honesty, openness, social responsibility and the principle of caring for their members and their communities. (ILO, 2007)

While several literatures, as indicated in the foregoing paragraphs, have established significance and benefits derived by co-operators within co-operative societies. However, there is dearth of empirical evidence evaluating effects of membership in co-operative societies on members' socioeconomic status in Kwara State, Nigeria. This study aims at contributing to the existing body of knowledge on the significance of cooperatives to rural development by investigating the perception of the effects of membership in co-operative societies on socioeconomic status of members in Kwara State, Nigeria.

Objectives of the study

The general objective of this study was to examine the perceived effect of membership in co-operative societies on the socioeconomic status of co-operators of Kwara State, Nigeria.

Specific objectives were to:

1. describe the socioeconomic characteristics of member of co-operative societies;
2. determine extent of participation of members in co-operative activities;
3. ascertain the benefit derived by being a member of co-operative societies; and

Hypotheses of the study

The following null hypotheses were set for the study:

1. There is no significant relationship between extent of members' participation

in cooperative activities and perception of the effects of membership in co-operative societies on socioeconomic status.

2. There is no significant relationship between the benefit derived by members in co-operative societies and perception of the effects of membership in co-operative societies on socioeconomic status.

METHODOLOGY

The study is conducted in Kwara State, Nigeria. Farmers in co-operative societies registered with All Farmers Association of Nigeria (AFAN), Kwara State branch formed the population of the study. Information gotten from AFAN showed that the body has registered cooperative groups in 12 Local Government Areas of the state. A multi-stage sampling procedure was used to select the respondents for the study. First stage involved selection of 25% of the total number of Local Government Areas that had registered co-operative groups with AFAN. Three (3) LGAs namely Moro, Asa, and Ilorin East LGAs were thus selected. Each of these selected LGAs had 10 registered co-operative groups. At the second stage, 30% of the total numbers of cooperative groups in each of these LGAs were randomly selected totalling nine (9) co-operative groups. Finally, 35% of the total number of members of the chosen cooperative groups was selected. Accordingly, 46 individuals out of 130 in Moro LGA, 42 out of 120 from Asa and 38 out of 110 in Ilorin-East giving a total of 126 respondents, were sampled for the study. However, data from 120 respondents successfully interviewed during field survey were used for data analysis.

Primary data were collected through the use of structured interview schedule. Information elicited included: socioeconomic characteristics of co-operative farmers, extent of members' participation in co-operative activities, benefit members derived from co-operative societies, constraints to members' participation, and perceived effects of participation on co-operators socioeconomic status. The research instrument was validated by rural development experts. They were requested to critically examine the research instrument in relation to the study objectives. Their suggestions were used to amend the research instrument prior to field survey. Data collected were analyzed using both descriptive and inferential statistical tools. While frequency count, percentage, mean and standard deviation were used to summarize the data, Pearson Product Moment Correlation (PPMC) was used to test stated hypotheses.

The dependent variable of the study was socioeconomic status of co-operators. It was measured by requesting respondents to examine how they perceived membership in the co-operative societies affected their SES based on socioeconomic parameters provided using a 5-point Likert type scale. The options are scored as follows: Strongly Agreed, 5points; Agreed, 4 points; Undecided, 3 points; Disagreed, 2 points and Strongly Disagreed, 1 point. Weighted mean score was obtained for each statement for ease of discussion. Also, total perception score per respondents was obtained and used to compute mean and standard error which was used to categorise respondents into three namely: favourable, indifferent and unfavourable category. Independent variables such as marital status, sex, level of education etc. were measured at nominal level, while numerical variables such as household size, income, etc. were measured at ratio level.

RESULTS AND DISCUSSION

Personal characteristics of respondents – Results in Table 1 show that majority (80.0%) of respondent were male, while 20.0% were female. Majority (29.2%) fell between 46-55 years age category, while very few (1.7%) were below 25 years. Mean age of respondents was 48 years with a standard deviation of 11. Also majority (96.7%) were married while only 3.3% were not married, had average household size of 7 members and earned average monthly income of about N55, 000. The results indicate that the respondents were close to the peak of their productive age range, earned relatively meagre income and would have financial responsibility to fulfil among family members, which perhaps could be reasons for their joining cooperative societies. The results also indicate that there were more males participating in cooperative societies than female in the study area. This could be as a result of their positions as household heads which comes with several responsibilities that they may want to leverage on cooperative support to meet.

Majority (75.8%) engaged primarily in farming while 15.8% engaged in trading and the remaining 8.4% were civil servants. Furthermore, majority (96.7%) of the respondents practised crop production and 3.3% engaged in fish farming. Average farm size was 4.7 acres. The implication of this is that rural farmers engaged mostly in farming as their major occupation. This agreed with the submission of Oluwatayo, Sekumade and Adesoji (2008) that rural dwellers mostly engaged in farming, they also take up to 90% of Nigeria total food production and they also earn their living from these small farms.

Table 1: Distribution of respondents by their personal characteristics

Variable	Frequency	Percentage
Gender		
Male	96	80
Female	24	20
Age		
25 and below	2	1.7
26-35	14	11.7
36-45	34	28.3
46-55	35	29.2
56-65	31	25.8
66 and above	4	3.3
Mean	48	7.5
Standard Deviation	11	
Marital Status		
Single	4	3.3
Married	116	96.7
Major Occupation		
Farming	91	75.8
Trading	19	15.8
Civil servant	10	8.3
Household Size		
6 and below	55	45.8
7-12	56	46.7
13 and above	9	
Mean	7	
Farm Size (acres)		
2.5 and below	29	24.2
2.51-5.00	39	32.5
5.01-7.50	35	29.2
7.51 and above	17	14.2
Mean	4.74	
Standard deviation	2.47	
Monthly income (N)		
10,000-60,000	87	72.5
60,001-110,000	27	22.5
110,001 and above	6	5

Source: Field survey, 2017

Membership in co-operative societies

Results in Table 2 show that over half of the respondents (55.5%) belonged to multipurpose co-operative societies, while 25.8%belonged to Credit/Thrift co-operative societies. Few (8.3% and 7.5%) belonged to produce marketing and producer co-operative societies, respectively and very few (2.5%) were members of processing co-operative societies. This indicates that most respondents belonged to multipurpose co-operative societies in the study area. This may be because they offer relatively more benefits than the single-benefit co-operative societies such as produce co-operative societies, credit/thrift co-operative societies. This is in contrast to the findings of Idrisa, Sulumbe, and Mohammed. (2007) and Ogunleye Oluwafemi, Arowolo and Odegbile (2015) where majority of co-operators in their study belonged to members of credit and thrift societies. This may be attributed to difference in interests of individual co-operators and perhaps successes recorded by various co-operatives in the past. As membership in co-operative societies is voluntary, individuals may prefer to associate with co-operative groups that have been successfully known to protect members' interest and come to their aids in times of their needs.

Results further show that half (50%) of the respondents had been members of co-operative groups for up to 10 years. About 33% and 17% had been members of co-operative societies for between 11 to 20 years, and 21 to 30 years, respectively. Mean year of membership in co-operative society was 12.95 years. Also, about half (52.5%) were ordinary members in their co-operative groups, while 32.5% were executive members, and 15% committee members. The results indicate relatively long period of years' respondents had been participating in co-operative societies in various capacities ranging from

ordinary membership to holding executive positions. Sustained interests of respondents in these societies may not be unconnected to benefits derived by members.

Table 2: Distribution of respondents by membership in cooperative societies

Variable	Frequency	Percentage
Types of co-operative societies		
Producer co-operative	9	7.5
Produce marketing	10	8.3
Credit and thrift co-operative	31	25.8
Processing co-operative	3	2.5
Multipurpose co-operative	67	55.8
Years of membership		
10 and below	60	50
11-20	39	32.5
21-30	20	16.7
30 and above	1	0.8
Membership status		
Ordinary members	63	52.5
Executive members	38	32.5
Committee members	18	15.0

Source: Field survey, 2017

Members' participation in co-operative activities – Results in Table 3 show that majority (93.3%) always participated in attending general meeting of their various co-operatives societies, while few (6.7%) only sometimes attended. Attendance of general meeting recorded a weighted mean score of 2.93. This indicates that the respondents used to partake in this activity. Based on mutually agreed rules, members often absent at general meetings may not derive full benefits of their membership in the co-operative societies. Majority (90%) of the respondents always participated in contribution of society's monthly dues. Similarly, majority (86.7%) contributed to discussion that brings about development and growth of their co-operative societies. These activities recorded very high weighed mean score of 2.83 and 2.82, respectively. These indicate that respondents attached importance to regular contributions, both financial and otherwise, associated with their membership within their co-operative societies. It might be that defaulters in payment of monthly dues would not have access to certain benefits, hence high proportion that participated in this activity. Results further show that partaking in 'preparation of annual plan of activities' and 'sharing of responsibilities during the end of year program' also recorded high weighted mean score of 2.17 and 2.20, respectively. These again are indications of the importance respondents attached to partaking in co-operative activities, such as in deciding what activities to carry out, and when, where and how to do them.

However, only about 43% and 41% of the respondents participated in attending executive meetings and committee meetings, respectively. These activities recorded weighted mean score of 1.32 and 1.31, respectively. This indicates low membership participation in these activities. This is not unexpected given that only few proportion of members who are usually executive and committee members of an association are expected to attend their respective gatherings. In the same vein, partaking in approval of budget and following up with utilization of loan disbursed to members recorded a relatively low mean score of 1.84 and 1.80, respectively. It may also be that only a few members are saddled with accomplishing these tasks too.

Overall, the foregoing results indicate high degree of participation in co-operative activities by the co-operators in the study area. This is supported by the submissions of Osterberg and Nilsson (2009) who stated that participation of members in cooperative governance is certainly an important part of the success of cooperatives and Amini and Ramezani (2006), who regarded members' active participation in co-operative governance as the most important factor in success of cooperatives.

Table 3: Distribution of respondents by their participation in co-operative activities

Activities	Not at all	Rarely	Sometimes	Always	Mean
Attend general meetings	0	0	6.7	93.3	2.93
Attend executive meetings	55.8	0	0.8	43.3	1.32
Attend committee meeting	54.2	1.7	3.3	40.8	1.31
Contributions of monthly dues	2.5	1.7	5.8	90.0	2.83

Electing of executives members	24.2	5.0	15.8	55.0	2.02
Partake in preparation of annual plan of activities	7.5	10.8	38.2	43.2	2.17
Partake in approval of budget	24.2	9.2	25.0	41.7	1.84
Partake in sharing responsibilities during end of the year program	12.5	9.2	25.0	53.3	2.20
Follow up with utilization of loan disbursed	25.8	8.3	25.8	40.0	1.80

Source: Field survey, 2017

Benefits derived by members from co-operative societies – Results in Table 4 show that majority (83.3%) of respondents indicated they always had credit service delivery to members. This benefit ranked highest with a weighted mean score of 2.78. Majority (64.2%) also indicated 'market accessibilities for produces' as benefit derived from membership in co-operative societies and this benefit ranked second with a mean score of 2.52. benefitting from 'skills acquisition programme' and 'collective processing of farm produce' ranked 3rd and 4th, amongst benefits members derived from their co-operative societies. Other benefits above average mean value of 1.50 which members had access to included 'joint use of resources' (1.98), 'provision of input at subsidized rate' (1.83), 'access to fertilizers and herbicides' (1.60) and 'access to improved seeds' (1.53). 'Co-operative access to bank loan' 'access to tractor use', and 'joint ownership of resources for bank collateral' ranked lowest among benefits derived by members with mean scores of 1.30, 1.18 and 0.98, respectively.

These findings imply that members of co-operative societies in the study area enjoyed various services ranging from access to credit facilities, market accessibilities for member produce, capital formation for joint use if resources collective processing of farm produce, access to fertilizer, herbicides and improved seed to skill acquisition programs etc. Also, those who did not benefit from these services might either be less actively involved in their co-operative groups, or might belong to those groups that did not offer these services, i.e. processing co-operative societies mainly render services of collective processing of farm produce, while credit/thrift co-operative societies renders mainly credit services to their members. Respondents not benefiting well from use of tractor might be due to their small farm size, which may not be economically viable for mechanisation. However, lack of co-operative access to bank loan and inability of co-operators to leverage on use of joint resource ownership as bank collateral is not a good development as the co-operative societies would be denied access to larger funds from more institutionalized sources.

Table 4: Distribution of respondents by benefits derived in co-operative societies

Benefits	Not at all	Rarely	Sometimes	Always	Mean
Credit service delivery to members	0.8	3.3	12.5	83.3	2.78
Collective processing of farm produce	19.2	10.0	21.7	49.2	2.01
Market accessibilities for produces	4.2	4.2	27.5	64.2	2.52
Capital formation for joint purchasing of input	10.0	13.3	39.2	37.5	2.04
Skills acquisition program	10.0	11.7	40.0	38.3	2.07
Access to tractor use	41.7	11.7	34.2	12.5	1.18
Access to fertilizers and herbicides	29.2	11.7	30.0	29.2	1.60
Joint ownership of resources for collateral in bank	51.7	10.8	25.0	12.5	0.98
Access to improved seeds	29.2	11.7	35.8	23.3	1.53
Co-operative access to bank loan	34.2	11.7	44.2	10.0	1.30
Provision of input at subsidized rate	18.3	10.0	41.7	30.0	1.83
Joint use of resources	15.0	10.0	37.5	37.5	1.98

Source: Field survey, 2017

Perception of the effects of membership in co-operative societies on co-operators' socioeconomic status – Results in Table 5 show that majority (96.6%) of the respondents believed that membership in co-operatives has helped them attain increase in their farm size. This statement recorded a mean score of 4.38. Majority (96.6%) also concurred that membership in co-operative society has greatly enhanced their standard of living (mean score = 4.43) while for those engaging in other business endeavours aside farming, majority (97.5%) equally believed belonging to

their co-operative groups enabled them to expand their business (4.29).similarly, it is believed that membership helped co-operators witness regular and increased income over the years (4.14), enjoyed increase in farm productivity (3.93), and helped in acquisition of TV set (4.05), Radio (4.02), mobile phone (4.23) and mobile means of transportation (3.88). Furthermore, using mean plus/minus standard error (21.81 ± 0.68) to categorise respondents based on overall perception score, results in Figure 1 show that 47.5% were favourably disposed to the idea that membership in co-operative societies improved their socioeconomic status. The results, overall, reveal that only about half of the respondents favourably perceived membership in co-operative societies as positively affecting and enhancing their socioeconomic status.

Table 5: Perception of respondents about the effects of membership in co-operative societies on the socioeconomic status

*SES parameter	S	A	U	D	SD	Mean
My membership in co-operative society has increased my farm size	43.3	53.3	1.7	1.7	0.0	4.38
Participation in co-operative has influenced my acquisition of mobile transport	29.2	44.2	13.3	11.7	1.7	3.88
I have witnessed regular and increased income over the years of my participation in co-operative	25.8	68.3	1.7	2.5	1.7	4.14
My participation in co-operative has brought me social prestige in my society	27.5	62.5	4.2	4.2	1.7	4.10
Through increased income, I have moved from a mud house to a blocked wall house	25.0	48.3	15.0	8.3	2.5	3.87
My farm productivity has greatly increased over the years due to my participation in co-operative society	25.8	64.5	5.8	2.5	1.7	3.93
I have diversified from rain-fed farming and acquired irrigation facilities	15.8	40.0	19.2	15.8	9.2	3.38
I have been able to buy a refrigerator for the storage of feeding stuffs and other uses	30.0	63.3	2.5	3.3	0.8	4.18
The regular income has assisted me to acquire a television set	18.3	74.2	2.5	5.0	0.0	4.05
The regular income has assisted me to acquire a radio	16.7	75.8	1.7	5.0	0.8	4.02
The regular income has assisted me to acquire a mobile phone	30.8	65.0	0.8	3.3	0.0	4.23
I have been able to well establish/expand my business aside from farming	32.5	65.0	1.7	0.8	0.0	4.29
It has greatly improved my standard of living	48.3	48.3	1.7	0.8	0.8	4.43

Source: Field survey, 2017
*SES – Socioeconomic status

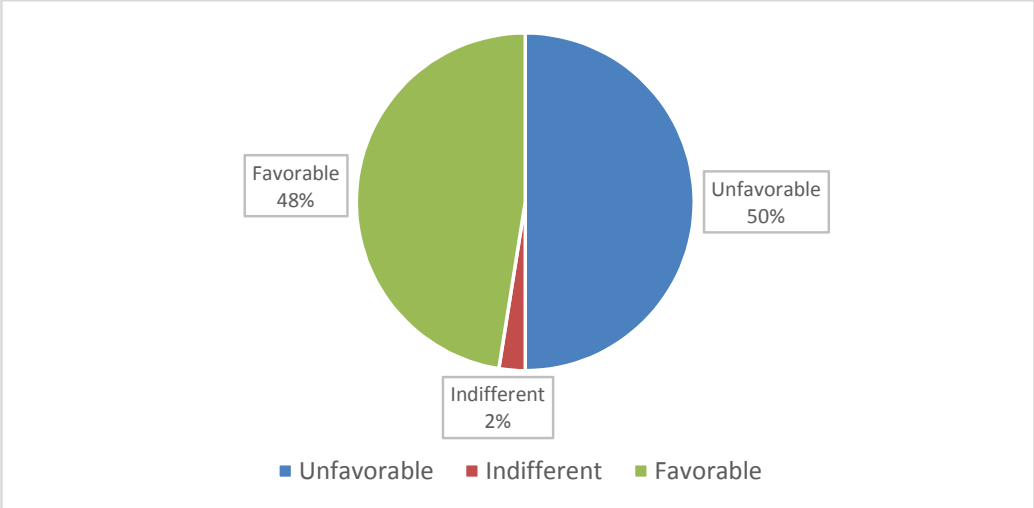


Figure 1: Categorisation of respondents based on total perception score

Results in Table 6 show that there was significant and positive relationship between socioeconomic status of co-operators and participation in co-operative activities (r = 0.57). Also, benefits derived by members in co-operative societies (r = 0.9) was highly related to their socioeconomic status. The results imply that the more co-operators actively engaged in co-operative activities, the more the benefits derived and subsequently the more favourable their perception about the positive effects of membership in co-operative societies on their socioeconomic status.

Table 6: Relationship between *SES and participation in co-operative activities and benefits derived by members

Variable	r-value	p-value
Participation in co-operative activities	0.57	0.000
Benefits derived in co-operative societies	0.9	0.000

Source: Field survey, 2017
***SES – Socioeconomic status**

CONCLUSION AND RECOMMENDATIONS

Respondents were members of various co-operative groups with multi-purpose co-operative societies being the most prominent one they belonged to. Respondents had been participating in these co-operative societies for a long period of time in various capacities ranging from ordinary membership to holding executive positions. Prominent among benefits enjoyed from membership in co-operative societies included access to credit facilities, market accessibilities for member produce, capital formation for joint use of resources, collective processing of farm produce, easier access to basic farm inputs, while they did not commonly benefit from co-operative access to bank loan and leverage on use of joint resource ownership as bank collateral. There was high degree of participation in co-operative activities and co-operators mostly 13eighbours opined that membership in co-operative societies positively affected and enhanced their socioeconomic status. It is recommended that Community Based Organizations (CBOs) and Non-Governmental Organizations (NGOs) working on grassroots development should encourage rural co-operative societies to leverage on use of co-operative resources as collateral to access bank loan so as to increase the benefits derived from their various co-operatives and thereby better enhance their socioeconomic status.

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