

EFFECT OF WOMEN CO-OPERATIVE ACTIVITIES ON ENTREPRENEURSHIP DEVELOPMENT OF MEMBERS IN ABIA STATE NIGERIA

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ABSTRACT

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This study assessed the effect of women co-operative activities on entrepreneurship development of members in Abia state Nigeria. Specifically, the study identified entrepreneurial activities carried out by the women cooperators; ascertained strategies used by the women co-operatives in promoting entrepreneurship among members and contributions of co-operative entrepreneurial activities to the women as well as identified constraints experienced by the cooperators in developing entrepreneurship among members. One hundred and nine women co-operators were randomly selected out of two hundred and fourteen members of six Women Cooperative Associations in Abia State for the study using Taro Yamane's formula at 5% error tolerance and 95% level of confidence. Instrument used for data collection was primarily questionnaire and interview while data were analyzed using descriptive and inferential statistics (Pearson Correlation analysis). Findings indicate that entrepreneurship training/continuous education of the members in selected enterprise ($\bar{x} = 3.70$), synergy with affiliate groups ($\bar{x} = 3.57$) and production/marketing scope comparative advantage strategy ($\bar{x} = 3.08$) are major strategies used by women co-operatives in promoting entrepreneurship among members while economic growth ($\bar{x} = 3.70$), poverty alleviation ($\bar{x} = 3.65$), skill/competency development ($\bar{x} = 3.41$) and group dynamics ($\bar{x} = 2.80$) are major contributions of co-operative entrepreneurial activities to the women cooperators. However, poor leadership ($\bar{x} = 3.91$), mismanagement of fund ($\bar{x} = 3.86$) and inadequate training for cooperative projects ($\bar{x} = 3.83$) are major constraints experienced by the cooperators in developing entrepreneurship among members. The Correlation analysis showed that there is significant relationship between strategies used by the women co-operatives in promoting entrepreneurship and contributions of co-operative entrepreneurial activities to the women cooperators in Abia State Nigeria.. The study recommends coordinated entrepreneurship training/education programme for the cooperators by the government in order to improve their entrepreneurial capacity.

INTRODUCTION

Empowering rural women by promoting women's entrepreneurship in cooperatives has been identified as an important approach to alleviate rural poverty and promote sustainable development (FAO, 2016). Women entrepreneurs have been designated as the new engines for growth and the rising stars of the economies in developing countries to bring prosperity and welfare (Singh, 2014). Woman constitutes the family, which leads to Society and Nation. Female entrepreneurs make significant contributions to economic growth and to poverty reduction. Promotion of women's entrepreneurship in the niche area of cooperatives is a relatively unique area where women can play a pioneering role. This is necessary for sustainable national development as such, growth of the proportion of women entrepreneurs in developing countries has drawn the attention of both the academic and the development sector. Women make up more than 50% of Nigerian population, yet they encounter many constraints when trying to take part in entrepreneurial and transformation processes, their self-esteem and managerial skills being lower and access to external financial resources more difficult when compared to their male counterparts (Ezeibe *et al.*, 2013). Therefore, there is need to enhance the competency of the women for them to be able to take an active part in entrepreneurial restructuring of their communities, develop their own ventures, expand their already existing business, or function as social entrepreneurs.

Women entrepreneurship involves women empowerment which according to Olawamimo, (2011) means "raising the awareness and consciousness of women towards act and laws that are detrimental to their progress and survival, it means giving women the authority and legal power to participate in the development of themselves and their societies without any hindrance". Women entrepreneurship contributes more than 50% to Gross Domestic Product (GDP) of most nations both developed and less developed. Its contributions to economic development have been predominantly in the area of job creation, poverty alleviation, environmental vitality, wealth creation and human capital (Ojo, 2006).

However, the operation of Women entrepreneurship involves considerable risks, hard work, enormous sacrifice and sincerity of purpose which cut across various obstacles. Ayogu and Agu (2015), also recognized the various challenges and obstacles facing Women entrepreneurship particularly in Nigeria which include; capital inadequacy, unavailability of the required infrastructures, shortage of manpower. Furthermore, a growing population and environmental degradation are putting severe stress on natural farm productive resources,

compelling more and more women to turn to non-agricultural activities for supplementary income and, in a growing number of cases, for alternative livelihood (FAO, 2016). Moreover, the forces of globalization are increasingly exposing small-scale farmers, a majority of them women, to market conditions for which they are poorly prepared. The resulting transformation in the nature of small-scale agriculture demands that small farmers organize themselves into group and cooperative-based size rural enterprises. In order to transform themselves into successful rural entrepreneurs, the women need improved access to essential social services such as basic health care and education, safe drinking water and electricity, as well as a widening range of support services including credit, product and market information, technology, management skills and training in enterprise development. All these they easily access through their activities as cooperative members from government and non-governmental bodies.

A cooperative is an autonomous association of persons who voluntarily cooperate for their mutual, social, economic, and cultural benefit through a mutually owned and democratically run enterprise. Cooperatives are based on values like self-help, democracy, equality, equity, and solidarity (Rosenbaum, 2000). The co-operative model of enterprise offers alternatives based on self-help and self-responsibility. It combines democratic processes with economic performance. It aligns ethical sustainable behaviour with innovation and growth. In view of the foregoing, this study was designed to assess the effect of women co-operative activities on entrepreneurship development of members in Abia state Nigeria. Specifically, the study identified entrepreneurial activities carried out by the women cooperators; sources of fund for their activities, ascertain contributions of co-operative entrepreneurial activities to the women as well as ascertained strategies used by the women co-operatives in promoting entrepreneurship. The study also identified constraints to entrepreneurial activities the women co-operatives.

METHODOLOGY

This study was carried out in Abia State Nigeria. Abia State has a land area of 7,677.20 square kilometers, with a total population of 2,833,999 persons, made up of 1,434,193 males and 1,399,806 females (NPC, 2006). The State lies between Longitudes 7° 23' and 8° 2' east and Latitudes 4° 47' and 6° 12' north of the Greenwich Meridian (NRCRI, 2003). It is bounded on the North and North-east by the states of Anambra, Enugu and Ebonyi, to the south by Rivers state, to the East and South-East by Akwa Ibom and Cross River states, and to the West by Imo state. Abia as an agrarian State is richly endowed with land suitable for growing various tropical crops. The climate is essentially tropical humid with annual rainfall of 1500-2600mm distributed evenly throughout the wet season (April to October). The mean elevation is 122m. Diurnal temperature varies between 27°C and 31.9°C (NRCRI, 2008).

The study employed a multi stage sampling technique in the selection of women cooperators from the agricultural zones of Abia State (Aba, Ohafia and Umuahia). Two Women Cooperative Associations each were purposively selected out of the list of Women Cooperative Associations that are registered with the Women in Agriculture (WIA) section of the Agricultural Development Programme (ADP) of the state. The choice of these six Women Cooperative Associations was informed by the fact that they have their membership list, members can be located for interview and they have records of regular cooperative activities such as meetings and group visitations. The Cooperative Associations are: Otu Dinyere Women Cooperative Association and Zion Women Cooperative Association from Aba Zone. Choice Women Cooperative Association and Chinedu Fadama Women Cooperative Association from Ohafia Zone as well as Eagles Multipurpose Cooperative Society and Ugodiya Women Cooperative Association from Umuahia Zone. For equal representation, a sample size of 109 was obtained from the population of 214 at 5% error tolerance and 95% level of confidence using Taro Yamane's statistical formula.

The data were analyzed using both descriptive statistical tools (frequencies and percentages) and inferential statistical tools (Pearson Correlation analysis).

Measurement of variables

To identify the economic activities practiced by the women cooperative societies, a list of different women economic activities such as farming, Animal husbandry, poultry keeping, Agro-processing, bead making, trading among others were listed. Respondents were asked to indicate variables of their choice and their responses were collated in a frequency table. To identify the sources of fund for the activities of the women cooperative societies, a list of possible sources of fund for the cooperative societies such as share capital, members contribution, fines, entrance fees were listed. Respondents were asked to indicate variables of their choice and their responses were collated in a frequency table. To ascertain strategies used by the women co-operatives in promoting entrepreneurship, list of possible strategies such as synergy, training of the members strategy, production/marketing scope strategy and economic use facilities strategies were presented to the women to indicate the level of use of each strategy on a four point Likert type scale of: to a great extent= 4, to little extent= 3, to very little extent=2 and to no extent=1. The values were summed to get 10 and divided to get 2.5 as mean.

Variables with the mean of greater than or equal to 2.5 were seen as possible strategy used by the women co-operatives in promoting entrepreneurship in the study area.

To ascertain contributions of co-operative entrepreneurial activities to the women, the women were asked to indicate the level/extent of benefits/contribution of the selected variables to them on a four point Likert type scale of: to a great extent= 4, to little extent= 3, to very little extent=2 and to no extent=1. The values were summed to get 10 and divided to get 2.5 as mean. Variables with the mean of greater than or equal to 2.5 were seen as a contribution/benefit of co-operative entrepreneurial activities to the women. Respondents were asked to indicate the level of seriousness of each challenge on a four point Likert type scale of: to a great extent= 4, to little extent= 3, to very little extent=2 and to no extent=1. The values were summed to get 10 and divided to get 2.5 as mean. Variables with the mean of greater than or equal to 2.5 were seen as possible constraints to execution of entrepreneurial activities the women co-operatives in the study area. Z-test analysis was used to test the *null hypothesis* H_0 that there is no significant difference between strategies used by the women co-operatives in promoting entrepreneurship and their achievements

RESULTS AND DISCUSSION

Economic activities practiced by the women cooperative societies

Table 1 shows the economic activities practiced by the women cooperative societies. The result indicated that farming (83.4%), trading (80.1%) and agro-processing (e.g. garri, rice processing, *making of Akara, pap or akam production*, etc.) (66.1%) are the major economic activities practiced by the women cooperative societies in the study area. Others are poultry keeping (50.0%), decoration and confectionaries (cakes, chin-chin, doughnuts, etc) (40.4%), thrift and credit (40.4%) and hair dressing / weaving (41.3%). They pool their resources together and engage in these entrepreneurial activities as source income to their cooperatives. Godoy (2005) opined that cooperatives are ready and effective weapon for such economic and commercial battle at the local level. This result also disagreed with Uchendu (1998) that generally, Nigeria women cooperators are involved in production, processing and less in the distribution of food commodities. Small-scale trading (80.1%) is among the major economic activity engaged in by the women cooperators.

Sources of fund for the activities of the women cooperative societies

Table 2 presents the Sources of fund for the activities of the women cooperative societies. 87.2% of the respondents were of the opinion that their cooperatives sourced or raise its fund from members contribution, 57.8% (share capital) This explains the reason why the cooperative societies are faced with financial constraints, because they relied more on the money from the share capital and other contribution from members. They get the least assistance external financing.

Table 1: percentage distribution of the economic activities of women cooperative societies

Variables	frequency	Percentage
Arable crop Farming	91	83.4
Animal husbandry	22	20.2
Poultry keeping	60	55.0
Agro-processing (e.g. garri, rice processing, <i>making of Akara, pap or akam production, etc</i>)	72	66.1
Small-scale trading	88	80.7
Decoration and confectionaries (cakes, chin-chin, doughnuts, etc)	44	40.4
Operating food restaurant	18	16.5
Hair dressing / Weaving	45	41.3
Bead making	31	28.4
Thrift and Credit	44	40.4

Source: Field Survey June, 2015. (Multiple responses)

Table 2: Distribution of respondents according to cooperative society's sources of fund

Variables	frequencies	Percentage
Share capital	63	57.8
Members contribution	95	87.2
Fines	15	13.8
External funding (government loans/NGOs assistance)	5	4.6
Entrance fees	40	36.7

Source: Field Survey June, 2015. (Multiple response)

Strategies used by the women co-operatives in promoting entrepreneurship

Table 3 shows mean distribution of respondents according to strategies use by women co-operatives in promoting entrepreneurship. The study identified training/continuous education of the members in selected enterprise (\bar{x} = 3.70; SD=1.29802), synergy with affiliate groups (\bar{x} = 3.57; SD=1.04431) and production/marketing scope comparative advantage strategy (\bar{x} = 3.08; SD=0.95537) as major strategies use by women co-operatives in promoting entrepreneurship among member cooperators.

Synergy among members and with affiliate groups was adopted because in cooperative, there must be a common business owned by all the members. Since synergy mean's "whole is greater than the sum of its parts". It is

obvious that whenever cooperators come together in form of cooperative society to embark on entrepreneurial activities, they will be more successful than when practiced on individual basis. This agrees with Nippierd, (2002) that cooperatives allow members who might have been isolated and working individually to band together and create economies of scale as well as increase their own bargaining power in the market.

Table 3: Distribution of respondents according to strategies use by women co-operatives in promoting entrepreneurship

Variables	total	SD	mean
Synergy strategies	389	1.04431	3.57
Economic use of facilities strategies	254	0.67322	2.33
Production/marketing scope strategy	336	0.95537	3.08
Training of the members strategy	403	1.29802	3.70

Source: Field Survey June, 2015.

Contributions of co-operative entrepreneurial activities to the women

Entries from Table 4 presents mean distribution of contributions of co-operative entrepreneurial activities to the women. Data from the table indicated that economic growth ($\bar{x} = 3.70$), poverty alleviation ($\bar{x} = 3.65$) and skill / competency development ($\bar{x} = 3.41$) are major contributions of co-operative entrepreneurial activities to the women cooperators while others are increased membership ($\bar{x} = 2.89$) and group dynamics ($\bar{x} = 2.80$). Women entrepreneurship help women to own businesses, generate more income which then can be used to improve themselves and support their households as well as offer employment to others in their community. The women cooperators in their entrepreneurial activities, show commitment to working democratically and for the good of the collective, rather than purely for personal gain, willingness to share risks and rewards with other members and an understanding of co-operative values and principles. These virtues increase their membership and improve group dynamics which ensures sustainability of the women groups. Badiru, (2014) agreed that participation in cooperative activities can afford cooperators access to initial capital for starting business which can reduce the level of poverty among them while Ayogu and Agu (2015) agreed that job creation both for the women and others can be a panacea for the increasing unemployment/under employment rate in the country. Women are afforded opportunities to create their own businesses and make adequate use of their acquired skills and training. Furthermore, Kantor (2009) reported that the increase of women prominence in entrepreneurship has positive contribution to the country's GDP and Gross National Income (GNI).

Table 4: Distribution of contributions of co-operative entrepreneurial activities to the women

Variables	Total	SD	mean
Job creation.	292	0.88711	2.68
Infrastructural department	254	0.67322	2.33
Skill / competency development	372	1.10087	3.41*
Economic Growth	403	1.29802	3.70*
Poverty alleviation	398	1.23903	3.65*
Group dynamics	305	0.89770	2.80*
Community development	257	0.79808	2.36
Increased membership	315	0.89880	2.89*
Self-fulfilment /actualization	275	0.86011	2.52

Source: Field Survey June, 2015.

Constraints to entrepreneurial activities of the women co-operatives

Data from Table 5 indicate that major constraints militating against entrepreneurial activities of the women co-operatives are poor leadership ($\bar{x} = 3.91$), mismanagement of fund ($\bar{x} = 3.86$), inadequate training for cooperative projects ($\bar{x} = 3.83$) and inadequate finance ($\bar{x} = 3.78$). This result corroborates the findings of Apesughur *et al.*, (2014) which reported that mismanagement of fund constituted a major constraint to participation of cooperators in cooperative activities he conducted. The result is also in line with that of Ehisuoria, and Akhimien, (2012) which asserted that lack of capital is among the constraints to self-help projects. In addition, Badiru *et al.* (2016) reported that low knowledge about the guiding principles of cooperatives and poor leadership causes improper coordination of activities which is also among major challenges to active participation in cooperative activities. Other constraints are Low presence of Extension agents ($\bar{x} = 3.76$) and inter group conflicts ($\bar{x} = 3.29$)

Table 5: Distribution of respondents according to Constraints to entrepreneurial activities of the women co-operatives (n=109)

Variables	Total	SD	mean
Inadequate finance	412	1.41146	3.78**
Age	267	0.64432	2.45
Low level of education	295	0.96612	2.71**
Household size	222	0.42994	2.04
Inadequate training for cooperative projects	418	1.40885	3.83**
Limited market information	240	0.56440	2.20
Low presence of Extension agents	410	1.36677	3.76**
poor leadership	427	1.53321	3.91**
Lack of interest of people in some cooperative projects	262	0.56445	2.40
Mismanagement of fund	421	1.48894	3.86**
Improper coordination	223	0.49987	2.05
Inter group conflicts	359	0.99707	3.29**
Lack of infrastructure	220	0.42994	2.02
Lack of raw materials	237	0.48764	2.17

Source: Field Survey June, 2015.

Relationship between strategies used by the women co-operatives in promoting entrepreneurship and contributions of co-operative entrepreneurial activities to the women

Table 6 presents Pearson Correlation analysis of the relationship between strategies used by the women co-operatives in promoting entrepreneurship and the contributions or benefits of co-operative entrepreneurial activities to the women cooperators. Result of the analysis indicated that there was significant relationship between strategies used by the women co-operatives in promoting entrepreneurship and contributions of co-operative entrepreneurial activities to the women. This can be seen from Table 6, Correlation is significant at the 0.01 level (2-tailed). This implies that improvement in the strategies used by the women co-operatives in promoting entrepreneurship equally enhances the contributions or benefits the women co-operators derive from co-operative entrepreneurial activities. Therefore the *null hypothesis (Ho)* is rejected.

Table 6: PPMCC analysis of the relationship between strategies used by the women co-operatives in promoting entrepreneurship and contributions of co-operative entrepreneurial activities to the women in the study area

		Strategies	Contributions
Strategies	Pearson Correlation	1	.457***
	Sig. (2-tailed)		.001
	N	109	109
Contributions	Pearson Correlation	.457***	1
	Sig. (2-tailed)	.001	
	N	109	109

CONCLUSION

Findings from the study indicate that entrepreneurship training/continuous education of the members in selected enterprise, synergy with affiliate groups and production/marketing scope comparative advantage strategy are major strategies use by women co-operatives in promoting entrepreneurship among members. Economic growth, poverty alleviation, skill / competency development and efficient group dynamics are major contributions of co-operative entrepreneurial activities to the women cooperators. However, poor leadership, mismanagement of fund and inadequate training for cooperative projects are major constraints experienced by the cooperators in developing entrepreneurship among members. Improvement made on the strategies use by women co-operatives in promoting entrepreneurship among members will also enhance the benefits or contributions of co-operative entrepreneurial activities to the women cooperators.

RECOMMENDATION

There must be sustained entrepreneurship training /education for women cooperatives by the government and NGOs. This is to enlighten members on their roles and to sensitize the general public on the important role women cooperatives can play in economic development and nation building. Microfinance Banks and other formal financial institutions can also help in encouraging women entrepreneurs by increasing the proportion of

their loan advancement to women as well as reduce bureaucratic bottlenecks attached so as to increase their accessibility to required credit. This will encourage more women to develop interest in running their own business.

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