

INFLUENCE OF WOMEN COOPERATIVES ON THE WELFARE OF RURAL HOUSEHOLDS IN OSUN STATE, NIGERIA

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ABSTRACT

Cooperative societies have proven to be valuable setups for social inclusion and women's empowerment. This study assessed the contributions of women cooperatives to household welfare in rural communities of Osun state, Nigeria. Using a multistage sampling procedure, 160 registered women cooperators were proportionately selected by size across wards. Interview schedules were used to collect data, which were analysed using descriptive statistics, Chi-square, Pearson Product-Moment Correlation, and t-test analyses. The age of respondents was 47.0 ± 11.0 years, with most of them being married (79.4%). Over fifty-five percent of respondents were processors with an average monthly household income of ₦18,713.25. The majority were members of credit and thrift societies (95.6%) and processing cooperatives (51.9%). Lack of government support (1.53) and diversion of loans for different purposes (0.93) were major constraints to participation in cooperatives. Most respondents were worse off (60.6%) before joining cooperatives and better off (57.5%) after associating with one form of cooperative or another. Monthly income ($r = 0.220$), years of experience in cooperative ($r = 0.298$), educational qualification ($\chi^2 = 13.189$), level of participation in cooperative ($r = 0.129$), benefit derived from participating in cooperative ($r = 0.377$) and constraints to participating in cooperative ($r = -0.116$) were significantly related to respondents' welfare status. Membership in cooperatives influenced the welfare of women cooperators. However, there was a need for training on various modes of operation of cooperative societies. This would ensure that rural women benefited maximally from the services of cooperative societies.

Keywords: Household welfare, Thrift societies, Women participation, Loan utilisation

INTRODUCTION

A cooperative society is defined as an autonomous association of persons united voluntarily with the aim of promoting the socio-economic interests of its members in accordance with cooperative principles. These societies operate on principles of mutual aid, democratic participation, and collective ownership, offering members access to credit, training, and markets (Oni and Daniya, 2010). In many developing countries, including Nigeria, cooperative societies have emerged as vital instruments for grassroots economic development,

particularly in rural areas where access to formal financial services and government support are limited.

According to African Union (2025) among the most active participants in these cooperatives are rural women, who often face systemic barriers such as limited land ownership, low literacy levels, and restricted access to capital. Rural women, despite being the backbone of small-scale agriculture, face deeply rooted structural inequalities which hinder their full participation in economic activities. Cooperatives not only improve women's economic status but also amplify

their voices in household and community-level decision-making.

All over the world, women have been acknowledged for their complementary roles in supporting their husbands and providing livelihood for their families. They contribute in a multitude of ways, through different livelihood strategies, to lifting their families and communities out of poverty. They work as unpaid and own-account or self-employed on-farm and non-farm labourers; as on and non-farm wage labourers for others in agriculture and agro-industry; as entrepreneurs, traders, and providers of services; as leaders; as technology researchers and developers; and as caretakers of children and the elderly (FAO 2011). Similarly, Udemezue and Odia (2021) affirmed that women are deeply engaged in food production and processing, yet they are frequently excluded from decision-making and access to productive resources. This gender disparity limits their productivity and economic empowerment. Okafor (2016) noted that women have become critical stakeholders in the economic and social advancement of their families and societies. In the quest for coping with myriads of household problems, it has been observed that women in Osun state devise their own mechanisms using locally formed associations or groups such as village savings and loans (Ajo), religious organisations, garri processors associations, tomato sellers' associations, hair dressers associations and others. These are self - initiated, self - managed, or unregistered but help to meet

their demand for financial services and ultimately improve their standard of living.

Through credit and thrift societies, agricultural processing groups, and multipurpose cooperatives, women are not only contributing to their families' livelihoods but also strengthening community resilience and social cohesion (Ajaero *et al.*, 2019). Despite these contributions, there remains a significant gap in empirical research that quantifies and qualifies the actual impact of women's participation in cooperatives on rural household welfare.

This study ascertained the influence of women cooperatives on the welfare of rural households in Osun state, Nigeria. The specific objectives determined the level of participation of cooperative members, assessed the level of benefits derived from cooperatives, identified the constraints faced by women co-operators and determined the welfare status of cooperative members

MATERIALS AND METHODS

The study was carried out in Osun State, south-western Nigeria. The multi stage sampling procedure was used to select respondents for the study. The first stage involved random selection of three Local Government Areas (LGAs, 10%) in Osun state. Then, two wards were randomly selected from each of the LGAs. Thirty percent of co-operators were randomly selected from a list of registered co-operators to give a sample size of 160 respondents.

Table 1. Sampling size of women co-operators from three local government areas in Osun State, Nigeria

LGAs	No. of wards	Registered co-operators	30% of registered co-operators
Isokan	2	162	50
Irewole	2	195	59
Ife	2	170	51
Central			
Total	6	527	160

The level of participation in cooperative activities was measured on a four-point scale: Always, Occasionally, Rarely and Never with Scores of 3, 2, 1 and 0 being assigned, respectively. The items were summed and a composite score of participation index was obtained. The mean was used as bench mark to categorise the level of participation into low and high.

Benefits derived from participation were measured on a four-point scale of High, Moderate, Low and Not at all (Scores of 3, 2, 1 and 0 were assigned, respectively). The items were summed to obtain a composite score of benefit indices. The mean was used as bench mark to categorise the level of benefits into low and high.

Constraints faced by women co-operators in cooperative activities was measured on a 3-point scale of 0 = Not a constraint, 1 = Mild constraint, 2 = Severe constraint. The weighted mean scores were used to rank the constraints based on the level of severity.

Welfare Status: The National Core Welfare Indicator developed by National Bureau of

Statistics (NBS), as a method for measuring welfare, was adopted to determine the worth of the respondents before and after joining the cooperative societies. Respondents were asked to indicate the actual amount they spent on household basic items within specific periods. Annual estimation for the expense categories was derived by multiplying all monthly expenses by 12 and all quarterly expenses by 4 and again by 12. Two third (2/3) of the mean of the Per Capital Expenditure (PCE) was used to categorise respondents into groups of better-off and worst-off. The scores above 2/3 of the mean score were termed 'better-off' while scores below 2/3 were termed 'worst-off'.

Descriptive (frequency distribution, percentages and means) and inferential (Chi-square, T-test and Pearson Product Moment Correlation) statistics were used to analyse the data.

RESULTS AND DISCUSSION

The mean age (47.0 ± 11.0 years) indicated that a high percentage of women participating in cooperatives were relatively young and active (Table 2). Awotide (2012) reported similar ages for women in cooperative societies. Most (79.4%) respondents were married, while 7.4% were divorced. This showed that they had a responsibility of taking care of their family and might likely require assistance from cooperatives to support their families and livelihoods. It was observed that 43.2% had primary education, 33.8% had secondary education while 23.1% had no formal education (Table 2). Their literacy level may likely influence their participation and contributions in cooperatives. The average

years of cooperative experience was 11.0 ± 7.4 , indicating that they were not novice in cooperative activities. This may have positive implications for group dynamics and sustainability of the cooperatives, as new members could be easily socialized into groups by experienced members.

More than half (55.6%) of the women were involved in processing, 24.4% were involved

in farming, 18.8% were involved in training while 1.2% were artisans. The monthly income derived from income generating activities was ₦18,713.25, suggesting that they were low-income earners. Hence, these women could be empowered economically through their participation in cooperatives, thus enhancing their livelihoods and general wellbeing.

Table 2. Socioeconomic characteristics of women participating in cooperatives in Osun State, Nigeria

Variable	Freq.	%	Mean
Age distribution			
less than or equal 30	12	7.5	47.0±11 years
31-40	34	21.3	
41-50	62	38.8	
above 50	42	32.4	
Marital status			
Single	15	9.4	
Married	127	79.4	
Divorced	6	3.8	
Widowed	12	7.4	
Level of Education			
No formal	37	23.1	
Primary	69	43.2	
Secondary	54	33.8	
Years of experience			
< 5 years	9	5.6	11±7.4 years
5-9 years	26	16.3	
10 years and above	125	78.1	
Occupation			
Farming	39	24.4	
Processing	89	55.6	
Trading	30	18.8	
Artisan	2	1.2	
Income			
< ₦10,000	29	18.1	₦18, 713.25
₦10,000-39,999	87	54.4	
₦40,000-69,999	44	37.5	

Rural women belonged to more than one cooperative organizations, with majority (95.6%) belonging to credit and thrift bodies (Table 3). These reasons could be attributed to the loans offered to beneficiaries of the groups. Thrift and loan associations render support services to their members, in order to improve the output and economic status of rural people (Ojo *et al.*, 2016). Also, 51.9% belonged to processing cooperatives, 31.9% belonged to producer cooperatives while 11.9% belonged to multi-purpose cooperative organisations. The rural women's identification with these groups facilitates access to credit facilities.

Most respondents affirmed that cooperatives helped to reduce poverty (4.60), promoted women advancement (4.39), enlightened and educated members (4.03) (Table 4). Furthermore, women believed that participation in cooperative societies enhanced community growth (4.30), strengthened rural small-scale industries (4.20) and created a strong bargaining power for marketing farmers' products (3.92). Cooperative societies have been identified as valuable set ups that could change the socio-economic role of women (Ojiagu and Uchenna, 2015).

Large proportions of rural women provided information to other members (1.91). Most of them attended meetings regularly (1.91) and were actively involved in their cooperatives. Regular attendance at meetings tends to foster and sustain group dynamics. In addition, a substantial proportion of the women paid their dues as at when due (1.90),

indicating their commitment to the sustainability of the cooperative societies. They actively participated in voting (1.86) and discussions during group meetings (1.83) (Table 5).

Receiving financial assistance (2.80) was perceived as the most significant benefit of cooperative society membership, emphasizing its role in alleviating financial constraints for the members (Table 6). This was followed by increased income (2.40), which indicated that rural women experienced tangible improvements in their livelihoods. Additional benefits, such as, technical assistance (2.10) and access to scarce inputs (2.00) highlight the dynamic platform cooperative societies created for rural development and economic empowerment. Most respondents perceived that the benefits derived from participating in cooperative activities were high (58.7%) as earlier reported by Akingunola and Onayemi (2010). However, their participation in cooperative societies was hindered by a lack of government support (1.53), suggesting the need for stronger institutional backing and inclusive policy frameworks (Table 7). Other constraints included diversion of loan for different purposes (0.93) and lack of guarantors (0.57). These challenges point to weaknesses in credit management and access structure among women-led cooperatives in rural Nigeria (Nwosu, 2024). Many women use cooperative loans for other purposes like school fees or household needs, which lead to poor repayment and weakens cooperative sustainability (Olagunju and Umebali, 2022).

Table 3. Types of cooperative societies in rural areas of Osun state, Nigeria

Types of cooperatives	Frequency	Percentage (%)
Producers' cooperative society	48	30.0
Credit and thrift	153	95.6
Multipurpose cooperative	19	11.9
Processing cooperative	83	51.9
Produce marketing	38	23.8

Table 4. Perceived role of cooperative organizations in rural areas of Osun State, Nigeria

Perceived role of cooperative organizations	SA	A	U	D	SD	Mean
Enhanced community growth	33.1	65.6	0	0	1.3	4.30
Cooperative organizations strengthen rural small-scale industries	26.9	71.3	0	0	1.9	4.20
Enhanced infrastructural development	9.4	74.4	11.3	3.1	1.9	3.87
Cooperatives facilitate participation in other rural projects	5.6	67.5	17.5	6.3	3.2	3.67
Cooperative enhances human resource development	11.3	73.8	8.8	3.8	2.6	3.87
Cooperative helps to develop leaders for rural organization	12.5	63.8	16.3	3.8	3.8	3.78
Cooperative organizations promote women advancement	55	38.8	1.3	0.6	4.4	4.39
Cooperative helps to reduce poverty	74.4	19.4	1.9	0.6	3.8	4.60
Cooperatives help in upgrading social amenities such as schools, town halls, markets etc.	11.9	51.3	26.3	2.5	8.2	3.56
Payment of examination fee for students	20	19.4	43.1	11.3	6.3	3.36
It provides more accurate grading and assemblage of commodities produced	9.4	61.9	16.9	5.0	6.8	3.62
It helps to create a strong bargaining power for marketing farmers' products	17.5	65	13.1	0.6	3.8	3.92
It renders guidance and counseling services	16.3	65	12.5	1.3	5.1	3.86
Cooperative helps in enlightening and educating members	18.1	75	1.9	1.3	5.8	4.03
Cooperative grants credit facilities to its members	24.4	41.9	10.6	19.4	3.7	3.64

Table 5. Participation of rural women in cooperative activities in Osun State, Nigeria

Level of participation	Always		Occasionally		Never		Mean
	Freq.	%	Freq.	%	Freq.	%	
Attendance in meetings	150	93.8	4	2.5%	6	3.8	1.90
Payment of dues	148	92.5	8	5.0	4	2.5	1.90
Participation in group voting	143	89.4	11	6.9	6	3.8	1.86
Contribution to group discussion	138	86.3	16	10.0	6	3.8	1.83
Provide group information	152	95.0	2	1.3	6	3.8	1.91
Procurement of organization goods or material	136	85.0	13	8.1	11	6.9	1.78
Enforcement of organizational by laws	130	81.3	22	13.8	8	5.0	1.76

Table 6. Benefits derived by rural women from participation in cooperative organizations in Osun State, Nigeria

Benefits derived from participation	High	Moderate	Low	Not at all	Mean	Rank
Financial assistance	84.4	14.4	1.3	0	2.80	1 st
Increased income	39.4	56.3	4.4	0	2.40	2 nd
Material and technical assistance	19.4	70.0	6.9	3.8	2.10	3 rd
Access to essential and scarce farm production inputs	24.4	59.4	88.0	7.5	2.00	5 th
Improved sales of products	54.4	35.0	6.3	4.4	2.40	4 th
Employment creation	12.5	53.8	22.5	11.3	1.70	7 th
Mobilization for effective communication	14.4	68.1	12.5	5.0	1.91	6 th
Increased production out put	11.3	33.8	48.8	6.3	1.50	8 th
Provision of crop insurance	8.1	11.3	25.0	55.6	0.72	10 th
Agricultural extension services	12.5	13.1	22.5	51.9	0.86	9 th

Table 7: Perceived constraints to rural women's participation in cooperative activities in Osun State, Nigeria

Constraints	Not constraint	a	Mild constraint		Severe constraint		Mean	Rank
Inability to access credit	98	61.3	45	28.1	17	10.6	0.49	5 th
Insufficient funds	91	56.9	57	35.6	12	7.5	0.51	4 th
Lack of guarantor	97	60.6	35	21.9	28	17.5	0.57	3 rd
Lack of government support	22	13.8	32	20	106	66.3	1.53	1 st
No freedom of participation from husband	117	73.1	29	18.1	14	8.8	0.36	6 th
Diversion of loan for different purpose	42	6.3	88	55.0	42	26.3	0.93	2 nd

The per capita expenditure of respondents before and after joining cooperative organization, indicated that the average cost incurred on food before joining cooperative was ₦17,000, while the average cost was ₦27,969.56, after joining (Table 8). Hence, there was a significant increase in amounts spent on food. Similarly, there was increase in amount spent on education after joining cooperatives. The average cost incurred on education before and after joining cooperative was ₦11,732.62 and ₦14,296.25, respectively. However, there was a decrease in the cost incurred on health after joining cooperatives. This reduced from ₦2,898.12 to ₦1,897.13, suggesting an improvement in their health status. Gomina *et al.* (2015) reported that members of savings and credit cooperatives in Niger State, Nigeria had better living standards and reduced vulnerability to health-related shocks, probably due to improved nutrition and preventive care.

The welfare status revealed that most women (60.6%) were worse off before joining cooperative organizations, but 57.5% were better off after joining cooperatives (Table 9). Cooperative societies provide access to low-interest loans, savings' schemes, and investment opportunities, which directly enhance members' financial stability and welfare (Aliu and Buden, 2023).

The monthly income ($r = 0.22$) and years of experience ($r = 0.29$) of rural women in cooperatives, as well as their educational qualification ($\chi^2 = 13.19$) were significantly related to their welfare status (Table 10). Income level has been shown to be a strong determinant of household welfare in rural

areas of Nigeria (Ayoade and Adeola, 2012). Increased income enables better access to food, healthcare, and education, thereby enhancing living standards. The years of cooperative experience indicates that prolonged engagement in cooperative societies contribute meaningfully to women's socio-economic empowerment. Furthermore, the higher educational attainment of women encouraged their acceptance of improved agricultural techniques, leveraging on digital technologies and participation in household and cooperative-level decision-making. In addition, active participation enhances access to financial services, skill acquisition and peer support (Oyebamiji *et al.*, 2020; Ezeokafor *et al.*, 2021; Ufoaroh, 2023). Therefore, cooperative engagement serves as a key driver of socioeconomic advancement for women in rural communities (Prasad and Maheshwari, 2018; Ofem *et al.*, 2024).

CONCLUSION

Participation in cooperative societies impacted positively on the household welfare of rural women in Osun State, Nigeria. Most of them were processors, literate and participated in various cooperatives activities. The rural women benefited from through saving of shares and borrowing of loans at affordable rates, creation of strong bargaining power for marketing produce and promoting women advancement. However, challenges such as lack of government support and diversion of loans were constraining their active participation in cooperatives. Hence, educational programs aimed at ensuring accountability and transparency among cooperative societies would strengthen their impact.

Table 8. Household per capita income of rural women in Osun State, Nigeria

	Before joining cooperative			After joining cooperative		
	Freq.	%	Mean (Naira)	Freq.	%	Mean (Naira)
Food items						
≤ 10,000	57	35.6		28	17.5	
10,001-30,000	89	55.6	17,000 ±13,488.03	92	57.5	27,969.56
Above 30,000	14	8.8		40	25.0	
Education						
5,000-9,999	59	36.9		33	20.7	14,296.25
10,000-14,999	76	47.5	11,732.62	89	55.6	
15,000 and above	25	15.6		38	23.7	
Health						
< 1,000	63	39.4	2,898.12	72	45.0	1,897.13
1,000-3000	82	51.3		76	47.5	
Above 3,000	15	9.3		12	7.5	

Table 9. Level of welfare of rural women in Osun State, Nigeria

Level of welfare	Before joining cooperative			After joining cooperative		
	Frequency	%	PCE/annum	Frequency	%	PCE/annum
High	63	39.4	₦134,884.94	92	57.5	₦167,978.20
Low	97	60.6		68	42.5	

Table 10. Relationship between selected personal characteristics of rural women and welfare status in Osun State, Nigeria

Variable	R	P	Decision
Age	-0.014	0.860	Not significant
Income	0.220	0.005	Significant
Years of experience in cooperative	0.298	0.000	Significant
Household size	-0.044	0.581	Not significant

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