

Influence of Cooperative Societies on Rural Livelihoods in Umuahia North LGA, Abia State, Nigeria

¹Nwadinobi C. O.,

²Thenacho A. U.,

³Alaneme J. C.,

⁴Enwereonye E. N. &

⁵Onwumere C.

^{1&2}Department of Co-Operative
Economics and Management, Imo
State Polytechnic, Omuma

³Department of Public
Administration, Imo State
Polytechnic, Omuma

^{4&5}Department of Business
Administration and Management,
Imo State Polytechnic, Omuma

Article DOI:

10.48028/iiprds/ijdshms.v15.i1.29

Keywords:

Cooperative Societies,
Rural Livelihoods,
Welfare Support
Services, Access to
Credit and Living
Standards

Abstract

This study examined the influence of cooperative societies on rural livelihoods in Abia State, Nigeria. Specifically, it investigated the effect of access to credit on the income levels of cooperative members and the impact of welfare and support services on their living standards. The study was motivated by the persistence of rural poverty and underdevelopment despite the presence of cooperatives designed to enhance socio-economic empowerment. A quantitative research design was adopted. From a population of 235 cooperative members, a sample size of 148 was determined using the Taro Yamane formula. Structured questionnaires were distributed, and 108 valid responses were analyzed using descriptive statistics, Pearson correlation, and simple linear regression. Reliability analysis using Cronbach's alpha confirmed good internal consistency among the questionnaire items. The results showed that access to credit had a weak positive but statistically insignificant influence on income levels ($R^2 = 0.016$; $p > 0.05$), while welfare and support services had a strong and statistically significant effect on members' living standards ($R^2 = 0.663$; $p < 0.05$). The study concluded that welfare interventions contribute more meaningfully to rural livelihood improvement than credit alone. It recommended that cooperative management and policymakers prioritize social welfare programs and restructure credit schemes to support productive and sustainable livelihood outcomes in rural areas.

Corresponding Author:

Nwadinobi C. O.

Background of the Study

Nigeria is rich in natural resources such as oil reserves, agrarian, and an active population made up of young people. In spite of this abundance, there are still differences in realities between the urban and rural. While the urban areas advance socially and economically, the rural communities are trapped by poverty and underdevelopment (Rotimi, 2024). Poverty has continued to be a persistent enemy in Nigeria's rural areas, where nearly 70% of the population lives in (National Bureau of Statistics, 2022). The rural areas, including Umuahia, North L.G.A struggle daily with basic necessities of life and better livelihoods.

Despite these constraints faced by rural communities, they still play crucial roles in national development by contributing to labour, food security, and raw materials (Falola & Mukaila, 2022; Israr, Yaseen, & Ahmad, 2017). However, despite these contributions, the bedrock of rural life remains poor infrastructure, weak institutions, and high vulnerabilities (Aderinoye-Abdulwahab, et al., 2015; Mukaila, Falola, Akanbi, Aboaba, Obetta, 2022 & Sitko, Knowles, Viberti, Bordi, 2022). Sustainable development of the rural area is hindered by persistent challenges such as low income, inadequate employment, and low living standards.

Therefore, it is desirable to unlock the potential of these rural communities urgently. Emegwara, et al., (2025) posit that there is need to impact and empower the rural populations through agricultural activities, which Daudu and Ajayi (2019) identify as the backbone of rural income. By doing this, there will be a paradigm shift from what is obtainable to empowerment and inclusive economic participation, which could turn these communities into engines of national growth (Rotimi, 2024).

Livelihood, as describes by Akintunde (2021), involves the strategies and resources used by people to make a living. To buttress this, Mianis and Darwish (2022) opine that regular income is a key to achieving sustainable livelihoods in the rural area. Despite the efforts made by the government and integrated rural development strategies put in place over time, poverty still remains entrenched and livelihoods in the rural areas continue to decline (Ijaiya & Adesina-Uthman, 2019; Ijaiya, Dayang & Norimah, 2016). This lingering poverty suggests that government-led interventions alone are not sufficient to cushion this menace.

This underdevelopment experienced, having exhausted all rural development strategies created a gap, which gave rise to an alternative and grassroots-based solutions like cooperative societies approach. Akintayo, et al., (2022) envisage that cooperative societies can pool their resources, foster collective problem-solving measures, set common goals to empower their members to address the root cause and effects of poverty in the rural areas. Nwafor and Umehali (2025) support that cooperatives provide credit facilities, train their members, provide employment, create market access, and provide welfare services to their members. They are regarded as socioeconomic vehicles for rural transformation. The International Cooperative Alliance (2015) defines cooperatives as autonomous associations of person united voluntarily to meet their economic, social, and cultural

needs and aspirations, through a jointly owned and democratically controlled enterprise. Mhembwe and Dube (2017) emphasize that cooperatives improve the entrepreneurial skills of their members through continuous education and training, thus increasing their income levels and living standards. Despite the tremendous potentials of cooperative, which evidence abounds, there is still gap in empirical support, specifically in linking cooperative activities and services to income, employment, and living standards of their members.

Specifically, literature in addressing how access to credit affects income levels, and how welfare support impacts living standards is inadequate. Available information does not specifically address how welfare supports influences income and living standards. This study, therefore, seeks to fill this gap, focusing on the rural area of Umuahia North Local Government Area, Abia State, Nigeria.

Statement of the Problem

In many rural communities, including Umuahia North in Abia State, cooperative societies are adjudged to provide essential services such as access to credit, and welfare schemes to their members. Despite the rising knowledge of this about cooperative societies being a vital tool for improving rural livelihoods in Nigeria, the extent to which they effectively influence key livelihood outcomes among their members remains uncertain. However, unreliable empirical evidences suggest that members still struggle with low incomes, underemployment, and poor living standards. This raises serious concerns about the actual role and impact of these cooperatives.

Explicitly, it is uncertain whether members' access to credit leads to higher income levels. Also, the impact of access to welfare and support services on living standards have not fully been determined. Despite the centrality of these variables in cooperatives, empirical studies into the influence of cooperative activities on rural livelihoods are limited and the gap created as a result of paucity of near related works is filled by this study. Therefore, this study seeks to examine the influence of cooperative societies on rural livelihoods in Umuahia North.

Objective of the Study

The broad objective of this study is to examine the influence of cooperative societies on rural livelihoods in Umuahia North, Nigeria. The specific Objectives are to

1. ascertain the influence of access to credit on income levels of members in Umuahia North, Abia State.
2. determine the influence of welfare and support services on the living standards of members in Umuahia North.

Research Questions

1. How does access to credit through cooperative societies influence members' income levels of members in Umuahia North?
2. To what extent do welfare and support services influence the living standards of members in Umuahia North?

Hypotheses

The following null hypotheses were formulated for the study:

- Ho1: There is no significant relationship between access to credit and income generation among members of cooperative societies in Umuahia North.
- Ho2: Access to welfare and support services has no significant impact on the living standards of members of cooperative societies in Umuahia North.

Review of Related Literatures

The Concept of Cooperatives

The term "cooperative" is coined from the Latin word *co-opera*, where *co* means "with" and *opera* means "to work," signifying working together (Nwafor & Umehali, 2025). Cooperative refers to individuals working together to achieve a common socioeconomic goal. It is a voluntary association whereby individuals work together to improve their mutual economic interests (Eucharia, 2018). The concept of cooperatives can be seen across all sectors of the society, all gaining different understandings based on the sector whether political, legal, economic, cultural or social (Akintayo, Olufemi, & Adeteju, 2022). ICA (1995) defines cooperatives as an association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly owned and democratically controlled enterprise. Similarly, Gabriel & Deutscher (2023) affirm that cooperatives are organisations whose primary objectives are to fulfill their members' social, economic, and cultural needs. In line with these definitions, the researcher defines cooperatives as an association open and voluntary to individuals with common goal and interests, pursuing their common socioeconomic and cultural goals, by combining their resources and controlling their business in a democratically manner. Nwafor and Umehali (2025) opine that cooperatives operate democratically; and ensure that members actively participate in decision-making while sharing responsibilities, risks, and proceeds accruable from the business undertaking.

Olojede, Rasaki, Adeoye, Amoo, & Olayanju, (2020) describe cooperative as a group of people with common interest, setup to promote the social welfare of their members. There are seven ICA cooperatives principles and these are seen to be evolving with the needs of the cooperative members, which varies over time and presently they are: Voluntary and open membership, democratic member control, member economic participation autonomy and independence, education, training and information, cooperation among cooperatives and concern for community.

When people feel they are powerless to impact their lives, cooperatives incline to be a strong, exciting and workable economic alternative for them (Tumenta, Amungwa & Nformi, 2021). The importance of agricultural cooperatives in improving the lives of millions of peasant farmers and their families cannot be overstated. Cooperatives promote livelihoods, create equal opportunities, enhance asset ownership, and improve socio-economic inclusion, leading to increase income and better living standards for disadvantaged households over time (Ndagi, Ahmed, Ubandoma, & Umar 2023). Cooperative societies is a concept birthed from the traditional thrift collection which later

spread in virtually every part of Nigeria (Olojede, Rasaki, Adeoye, Amoo, & Olayanju, 2020).

Rural Livelihoods

According to the Bureau of Census, U.S, rural areas are those areas not classified as urban and they include open country and settlements with fewer than 2,500 residents (Ratcliffe, Burd, Holder, & Fields, 2016). Okorodudu, Orukpe, Imianvan, and Ojugo (2023) and Nwafor and Umebali (2025) adjudge that in Nigeria, a significant portion of the population (about 50%) lives in rural areas and their economies naturally depend on agriculture and the likes such as forestry, fishing, farming (cassava, yams, maize, and rice etc), piggery and livestock for survival and these play vital role in providing food security and income for rural dwellers.

Emegwara et al., 2025 reveal that for one to understand rural livelihoods in Nigeria one requires to be acquainted with the broader concept of livelihoods. They adjudge that Livelihoods are the social and material skills, including assets and activities required for human survival in a given place and such can be said to be sustainable when it can withstand external shocks, adapt to challenges, preserve or improve its assets and capabilities over time, while ensuring that natural resources are not depleted. This was supported by Carney (2015) and Rennie and Singh (2016) who confirm that livelihoods entail a long-term and sustainable obtaining of sufficient resources such as food and income, to satisfy basic needs over time. According to them, livelihoods are more tangible than 'development' because they have easy measurement features. Muhammad and Daura (2021) argue that the focus of livelihood should be on ensuring the long-term viability of means of survival.

Rural livelihood in Nigeria is closely linked to quality of life, as access to sustainable livelihood opportunities directly contributes to improved living conditions through better access to resources, facilities, and healthcare (Akeredolu-Ale & Aribiah, 2019; Nwafor & Chidi-Irem, 2023). Arua (2004) posits that individuals and households adopt diverse livelihood strategies based on the assets available to them such as labor, education, skills, and social networks and these are cooperative and workable strategy used for the improvement of rural livelihoods.

Influence of Cooperatives on Key Livelihood Indicators in Nigeria

Cooperatives is a vital instrument in improving rural livelihood, offering tools for measuring use of resource and fostering entrepreneurial skills (Fan & Rue, 2023). Cooperatives activities in rural areas, create employment opportunities, offer credit facilities to members, give welfare supports and render other services to them. This reduces poverty and unemployment and strengthens economies of rural areas (Yusuf, 2024). Agricultural cooperatives, especially, have proven immense value in this regard. Lawal, Taiwo, and Katagum (2017) affirm that they have the central role of fostering economic productivity and reducing poverty, which are core indicators of livelihood improvements. United Nations (2019), during the presentation of her 2030 Agenda for

Sustainable Development, recognized the vital role of cooperatives in moving inclusive growth and sustainable development.

Oluwole and Adebayo (2023) states that capacity-building and training initiatives offered by cooperatives empower members with the knowledge required to launch new business or improve existing ones. Hermida (2008) supports this, stating that cooperatives also provide functional education through formal training and informal platforms like workshops and seminars, equipping members with skills in areas such as accounting, credit management, credit utilization, and financial management. More so, Lawal et al. (2017) envisage that cooperatives in Nigeria, like their counterparts in developed and developing countries are established to meet the mutual needs of their members. For example, farmers and traders in Nigeria can pool resources together to boost productivity, so as to strengthen their economies and that of the rural area (Ebonyi & Jimoh, 2002).

According to Levi (2005), cooperatives are designed to enhance development in rural areas by improving access to welfare and support services that uplift basic living conditions. These according to Lawal et al., (2017) include employment creation, rural market support, training, increased income opportunities, and improved access to essential social services. So, for cooperatives to achieve these livelihood outcomes, their challenges need to be arrested.

Conceptual Framework

This conceptual framework is designed to illustrate how cooperative societies influence rural livelihoods in Umuahia North, Abia State, through specific functional mechanisms.

Explanation of the Variables

The dependent variables represent the key services provided by cooperative societies that are expected to drive changes in rural livelihoods. While the independent variables represent the livelihood outcomes that the study seeks to measure among cooperative members. Access to Credit enables members to invest in small-scale businesses, agriculture, or trade, which in turn may lead to increased Income through capital investment. Access to Welfare and Support Services includes non-financial support like education and training, health insurance, housing, and social safety, contributing to improved Living Standards, better well-being, and reduced vulnerability through capacity building.

The Intervening Variables are factors that may influence the strength or direction of the relationship between independents and dependent variables. Financial Literacy, may affect how effectively members use credit; Members' Commitment, influences the consistency of participation in cooperative activities while household Size, may affect how cooperative benefits translate into improved living standards or income.

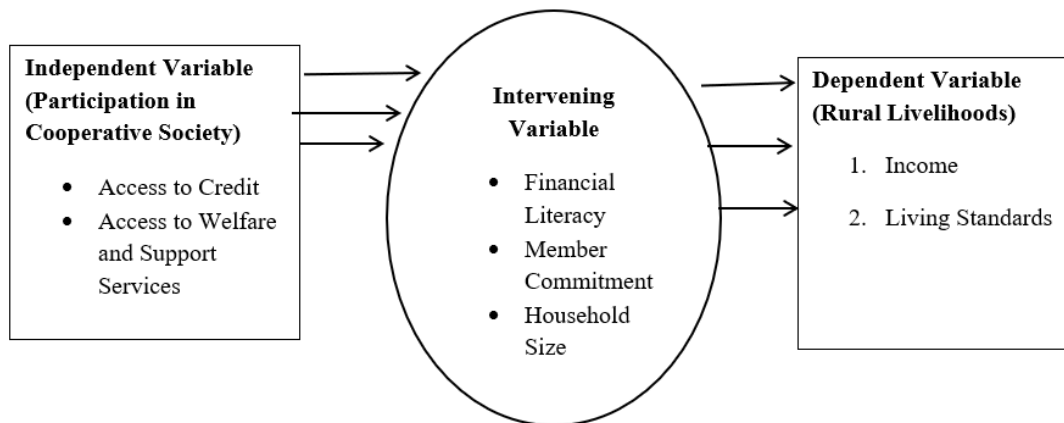


Figure 1: Conceptual framework on Influence of Cooperative Societies on Rural Livelihoods in Umuahia North, Abia State, Nigeria

Source: Researcher (October) 2025

Theoretical Review

Sustainable Livelihoods Framework (SLF)

This study anchored on Sustainable Livelihood Framework (SLF) (Department for International Development [DFID] (1999). This framework was first explored by Chambers and Conway (1992), where the established the link between livelihoods, vulnerability, and sustainability. This theory is a practical tool used to understand how individuals secure, sustain, and improve their livelihoods in developing countries.

Chambers and Conway (1992) defined a livelihood as the totality of social and material capabilities, assets and activities needed to make a living. They stressed that a livelihood is as seen as sustainable only when it can withstand shocks; preserve sources of resource and capabilities, and continue to provide for future generations.

Based on this, the DFID (1999) elaborated it as a more structured framework containing five core types of capital: human, social, natural, physical, and financial and stated that these livelihood assets exist and interact within a set of vulnerabilities such as economic disruptions, environmental changes, or seasonal instability. The framework also incorporated the role of policies, institutions, and social processes (which influence how people utilize these assets) as factors shaping the livelihood strategies and determining livelihood outcomes.

In this study, the theory utilized to explain how cooperatives as an institution influence the livelihood strategies and outcomes of rural residents in Umuahia North, Abia State. Cooperatives exist as key institutions enhancing access to financial capital (through access to credit), social capital (through group participation), and human capital (through training and education). The livelihood outcomes (income, and living standards) are seen as results of enhanced access to these five capitals, facilitated by cooperative participations. Therefore, SLF offers a conceptual and practical foundation for assessing the multifaceted effects of cooperative organizations on rural livelihoods.

Empirical Review

Access to Credit and Income

Several empirical studies have examined the impact of cooperative societies on various aspects of rural development and livelihood outcomes. According to Tumenta et al. (2021), 70% of respondents in Cameroon's North West and South West indicated satisfaction with the contributions of agricultural cooperatives in enhancing agricultural production and capacity building. Olojede et al. (2020), focused on livelihoods development of rural households in Oyo State, and the study found that cooperative membership had a significant effect on livelihood development, particularly through cooperative membership.

Emegwara et al. (2025) envisaged that rural cooperatives in Enugu East played a vital role in poverty reduction and employment creation, and the findings supported regression analysis. Also, Nwafor and Umehali (2025) established that there is a significant impact of cooperative credit on poverty reduction in Ezeagu, Enugu state, and further emphasized that cooperative societies play a role of increasing income of members.

On the wider livelihood dynamics, Falola, Mukaila, Nafiu, Olanrewaju, Akanbi, Obetta & Igweh (2023) proved that agriculture remains the dominant source of income in rural southwest Nigeria. Their study highlighted the significance of livelihood diversification, with access to credit and education adopted as major influencing factors.

However, not all empirical studies report direct benefits of income. Ofori et al. (2019), in a study conducted in Cambodia, revealed that cooperative membership did not significantly influence income but improved technological adopted use and access to credit facilities do. Ahmed and Mesfin (2017) showed that cooperative membership had a heterogeneous as well as positive impact on smallholder wellbeing in Ethiopia.

Welfare and Support Services and Living Standards

Lawal (2021) studied how cooperative societies enhance general wellbeing through housing provision and services in Nigeria. The study made an exposition of housing and related services, loan seeking and repayment processes. The findings revealed that all the cooperative societies ran multipurpose services with housing loan services being equally included. Cooperative societies were seen as the easiest channels of securing access to affordable housing due to absence of bureaucratic bottleneck and insurmountable conditions.

Chali, Lakatos and Daraje (2024) investigated the impact of cooperative enterprises on members' well-being in Ethiopia, with emphasis on welfare and support services. The findings revealed that cooperative welfare interventions such as access to microloans, training programmes, and self-employment support significantly improved members' living standards, income stability, and overall well-being. The study further showed that cooperative-based social support enhanced social capital and encouraged voluntary savings among members, thereby strengthening household resilience. However, the

authors observed limited formal evaluation of how specific cooperative welfare services translate into sustained improvements in living standards.

All these studies show that inasmuch as cooperative societies have notable potential of enhancing rural livelihoods, the degree and nature of their impact vary by location, type of service, and available certain support systems. Despite these efforts, there are still notable gaps in localized studies that jointly evaluate the effects of access to credit, and welfare support services on diverse livelihood outcomes using quantitative methods. Most of the empirical evidences focus on single variables or extensive regional contexts. This study addresses this gap by investigating how multiple cooperative services influence income, and living standards in Umuahia North, Abia State, Nigeria.

Although several studies have examined the role of cooperative societies in rural development and livelihoods across Nigeria and other countries (Lawal, et al., 2017, Emegwara et al., 2025; Tumenta et al. 2021 and Nwafor & Umehali, 2025). Many of these works have focused largely on access to credit without giving sufficient attention to welfare and support services provided by cooperatives. Additionally, limited empirical research exists that explores how cooperative services influence multiple aspects of rural livelihoods such as income, employment, and living standards using quantitative methods. Specifically, there is a dearth of localized studies in Umuahia North LGA, despite the prominence of cooperative societies in the region. This study addresses these gaps by empirically analyzing the relationship between cooperative society participation and rural livelihood outcomes, thereby providing evidence-based recommendations tailored to the needs of rural communities.

Methodology

This study adopts a **descriptive survey design** with a **correlational approach**. The design is suitable for collecting quantifiable data on the influence of cooperative societies on various livelihood indicators such as income, employment, and living standards. The correlational aspect enables the researcher to examine relationships between independent variables (e.g., access to credit) and dependent variables (e.g., income). The study is conducted in **Umuahia North Local Government Area**, located in Abia State, Nigeria. The target population consists of **registered members of cooperative societies** in Umuahia North LGA. According to records obtained from the local cooperative office, the total number of members across selected cooperatives is 1457. But for this study, only four cooperatives were selected (two from Agricultural cooperative and one from each of credit cooperative and multipurpose cooperative and this selection were done on the basis of viability and functionality. The membership size of the cooperatives is **235**.

To determine a representative sample size from the population, the **Taro Yamane formula** (1967) was employed:

$$n = \frac{N}{1 + N(e)^2}$$

Where:

n = Sample size
1 = Constant
N = Population size (345)
e = Margin of error (0.05)

$$n = \frac{235}{1 + 235 * 0.0025}$$

$$n = \frac{235}{1 + 0.5875}$$

$$n = \frac{235}{1.5875} = 148$$

The study employed a stratified random sampling technique. Cooperative societies were first stratified based on their operational type (credit, agricultural, and multipurpose). From the strata, four societies were purposively selected based on viability and functionality. Proportionate sampling was used to allocate sample size to each cooperative society based on its membership strength - this was computed using the formula:

$$n_h = \frac{N_h}{N} \times n$$

Where;

n_h = sample size for stratum h
N_h = population of stratum h
N = total population (235)
n = total Sample Size (148)

Ulonna Cassava FMCS

$$\frac{62 \times 148}{235} = 39$$

Oganihu Cassava FMCS

$$\frac{55 \times 148}{235} = 35$$

Abia State Apex Cooperative Society

$$\frac{58 \times 148}{235} = 36$$

Zenith Abundance MCS

$$\frac{60 \times 148}{235}$$

$$= 39$$

Thereafter, a simple random sampling technique was used within each stratum to select individual respondents, ensuring fair representation.

Table 1: Proportionate Allocation of Size Across Selected Cooperatives in Abia State

S/N	NAME OF COOPERATIVE	MEMBERSHIP SIZE	SAMPLE SIZE
1	Ulonna South FMCS	62	39
2	Oganihu Cassava FMCS	55	35
3	Abia State Apex Cooperative Society	58	36
4	Zenith Abundance Multipurpose Cooperative Society	60	38
	TOTAL	235	148

Source: Field Survey, October 2025

The questionnaire included both closed-ended and Likert-scale items aimed at assessing the two independent variables (access to credit, and access to welfare/support services) and their effects on dependent variables (income, and living standards).

The structure of the questionnaire contains Demographic profile of respondents (e.g., age, gender, education, cooperative type, membership duration), Items measuring the independent variables, Items measuring the dependent variables were on a 5-point Likert scale, ranging from Strongly Agree (5) to Strongly Disagree (1).

The content validity of the instrument was ensured by subjecting it to expert review from professionals in agricultural economics and rural development.

The internal consistency of all constructs was assessed using Cronbach's Alpha. The results are as follows: Access to Credit ($\alpha = 0.719$), Welfare Support ($\alpha = 0.753$), Income ($\alpha = 0.777$), and Living Standards ($\alpha = 0.764$). The entire alpha was good and acceptable. These results suggest that the questionnaire items are reasonably consistent and suitable for further analysis.

The data collected were coded and analyzed using the Statistical Package for Social Sciences (SPSS) version 25. The analysis followed a two-stage process:

Descriptive Statistics: Used to summarize the socio-demographic characteristics and responses to questionnaire items (table, frequencies and percentages).

Inferential Statistics: **Pearson correlation** was used to test the relationships between independent and dependent variables while **Simple Linear regression** analysis was

applied to determine the predictive effect of independent variables on each dependent variable.

Model Specification

$$Y_1 = \beta_0 + \beta_1 X_1 + \varepsilon$$

$$Y_2 = \beta_0 + \beta_1 X_1 + \varepsilon$$

Where:

Y1 = Income

Y2 = Living Standards

X1 = Access to Credit

X2 = Access to Welfare and Support Services

β_0 = Constant (intercept)

β_1, β_2 = Coefficients of the independent variables

Each of the dependent variables was regressed separately against the independent variables to assess the strength and significance of cooperative society activities in explaining variations in income, employment, and living standards among members.

Result

Out of the one hundred and forty-eight (148) copies of the questionnaire distributed to the respondents, one hundred and eight (108), thus, 73% were returned correctly filled and were used for data analysis.

Table 2: Descriptive Statistics of Members of cooperative societies in Umuahia North LGA

Variable	Frequency (n=108)	Percentage (%)
Gender		
Female	34	32
Male	74	68
Education Level		
BSc/HND	58	54
NCE/OND	20	19
Non-formal	5	4
SSCE	25	23
Occupation		
Artisan	9	8
Farmer	56	52
Self-employed	37	34
Trader	6	6
Cooperative Type		
Agricultural	44	41
Credit	27	25
Multipurpose	37	34
Years of Membership		
1-3 years	24	22
4-6 years	45	42
6+ years	39	36
Total	108	100.0

Source: Field Survey, October, 2025

From the table above, the gender distribution shows that male gender (68%) dominates that of female (32%). This implies that cooperative activities in the study area are male dominated activity. For the age distribution, respondents fell within various age brackets, but the majority fell between the ages of 31–50 years, which implies that cooperative members are economically active capable of engaging in productive cooperative activities. Members' educational levels varied, whereby the largest group being BSc/HND holders (54%), NCE/OND (19%), SSCE (23%), and NFE (5%). This implies that cooperative members are literates who can understand cooperative prospects and problems. The occupation of members from the table shows that agriculture is the predominant occupation among members (52%), followed by self-employment (34%), trading (6%), and artisan work (8%), replicating the rural and mixed-economy inherent in the study area. From the distribution according to year of membership, most respondents had been members of their cooperatives for 4 to 6 years (42%); (36%) are members for more than 6 years, which indicated a relative experienced-based. Whereas, (22%) had been members between 1 to 3 years and may be new and younger members of their cooperatives. The respondents were drawn from a variety of cooperatives, including

credit, multipurpose, and agricultural cooperatives, which is in line with the stratified sample method adopted for the study. As a result, the dataset had a balanced and fair representation.

Table 3: Correlation analyses on influence of cooperative societies on rural livelihood outcomes

Hypothesis	X	Y	Correlation (r)	Sig. (p-value)
Ho1	Access_Credit (X ₁)	Income (Y ₁)	0.125	0.196
Ho2	Welfare_Support (X ₂)	Living_Standards (Y ₂)	0.751	0.000

Source: SPSS 25 IBM Output of the Study

The Pearson correlation analysis assessed the relationships between each independent and dependent variable pair: Access to Credit and Income was weak and not statistically significant ($r = 0.125$, $p = 0.196$). Welfare Support & Living Standards was Strong and statistically significant ($r = 0.751$, $p = 0.000$). Only the second hypothesis shows a meaningful relationship, suggesting that welfare support significantly contributes to improved living standards.

Table 4: Summary of Regression Outputs

Model	Dependent Variable	R ²	Adjusted R ²	Significant Predictors	Coefficient(s) (B)	Standard Error(s)	t-value(s)	p-value(sig.)
Model 1	Income(Y ₁)	0.016	0.006	X ₁	0.141	0.108	1.302	0.196
				Constant	3.238	0.413	7.831	0.000
Model 2	Living Standards(Y ₂)	0.563	0.559	X ₂	0.698	0.060	11.696	0.000
				Constant	0.977	0.228	4.288	0.000

Source: SPSS 25 IBM Output of the Study

Two regression models were analyzed with the dependent variables: Income, and Living Standards. On model 1, the regression result shows a weak positive correlation ($R = 0.125$) between access to credit and income levels of members. The R² value (0.016) indicates that access to credit explains only 1.6% of the variation in members' income levels. Similarly, the coefficient ($B = 0.141$, $t = 1.302$, $p = 0.196$) suggests that although access to credit has a positive influence on income, but the relationship is not statistically significant.

On model 2, the regression output shows a strong positive correlation ($R = 0.751$) between welfare and support services and the living standards of cooperative members. The R² value (0.563) implies that 56.3% of the variation in living standards can be explained by welfare and support services provided by cooperative societies. Similarly, the coefficient for welfare/support ($B = 0.698$, $t = 11.696$, $p = 0.000$) confirms a strong and significant positive effect and statistically significant.

Test of Hypothesis

H₀₁: There is no significant relationship between access to credit and income generation among members of cooperative societies in Umuahia North.

The correlation results for access to credit and income showed p-value of 0.196; and regression $p = 0.196$. since the p-value is greater than 0.05, the null hypothesis is not rejected, implying that access to credit does not have a statistically significant relationship with income among cooperative members in the study area.

H₀₂: Access to welfare and support services has no significant impact on the living standards of members of cooperative societies in Umuahia North.

In hypothesis 2, the analysis showed a strong positive correlation ($r = 0.751$) between welfare support and living standards, with a p-value of 0.000. Model 2 regression results show that access to welfare and support services has no significant impact on the living standards of members of cooperative societies in Umuahia North ($p = 0.000$) the probability value is less than 0.05, the null hypothesis is rejected. Hence, welfare and support services significantly influence the living standards of members.

Discussion of Findings

Access to Credit and Income

The correlation between access to credit and income was weak and statistically insignificant ($r = 0.125$, $p = 0.196$). The regression analysis similarly showed that access to credit was not a significant predictor of income, with the model explaining only 1.6% of the variance ($R^2 = 0.016$). Numerous factors could be responsible for this outcome. Cooperative credit may not be sizable enough to create measurable income growth; members might be using the credit for consumption rather than investment purposes; there may be short repayment cycles that discourage productive use of the loans and lack of training on effective credit utilization may reduce possible benefits. The finding that access to finance does not significantly influence income contradicts the expectation of the study. This supports Ofori et al., (2019), who found similar outcomes in Cambodia suggesting that credit availability alone may not drive rural income unless coupled with training and follow-up supports, monitoring and evaluation.

However, other empirical studies emphasize that the income effect of cooperative credit is conditional. For example, Nwafor and Umehali (2025) and Emegwara et al. (2025) report significant positive roles for cooperative credit and rural cooperatives in poverty reduction and income improvement in parts of Enugu State, but those studies also show that the magnitude of impact depends on loan size, timeliness of disbursement, the productive use of funds, and complementary capacity-building activities. In other words, cooperative credit can increase income where loans are large enough, targeted toward productive investments, and accompanied by training and effective governance – conditions that may not fully obtain for some members in Umuahia North, which helps explain the insignificant result in Model 1. . Ahmed and Mesfin (2017) likewise

documented heterogeneous impacts of cooperative membership on wellbeing in Ethiopia, underscoring that local institutional strength, heterogeneity in member capacity, and contextual constraints shape whether credit translates to higher incomes.

Welfare Support and Living Standard

The correlation between welfare support services and living standards was strong and highly significant ($r = 0.751, p = 0.000$). Regression results also confirmed that welfare support significantly predicted living standards ($R^2 = 0.563, P=0.000$), with welfare support showing strong coefficients ($B = 0.698$). This result indicates that welfare interventions such as Training and capacity building, social support services (health, housing, and food aid) and accessible support schemes within cooperatives, are impactful in improving members' quality of life. This supports Tumenta et al. (2021) who found high levels of satisfaction with cooperative contributions to agricultural capacity in Cameroon, indicating that where cooperatives are effective, members perceive benefits to production and capacity building. Olojede et al. (2020) similarly reported that cooperative membership in Oyo State was associated with livelihood improvements, suggesting that membership and access to cooperative resources can support livelihood development when services are well-targeted.

Summary of Findings

This study examined the influence of cooperative society activities on rural livelihoods in Umuahia North, Abia State. The findings of the study revealed:

1. That there is weak and not statistically significant relationship between access to credit and income ($r = 0.125, p = 0.196$).
2. That there is Strong and statistically significant relationship between welfare support and living standards ($r = 0.751, p = 0.000$). Regression analysis shows that Welfare and support services have a strong and significant positive influence on members' living standards ($R = 0.751, p = 0.000$).

Conclusion and Recommendation

Conclusion

The findings of this study suggest that cooperative society welfare interventions play a crucial role in improving the quality of life among members. Despite the theoretical expectations, access to credit did not show significant influence on income. This implies that the mere availability of credit may not automatically translate into measurable economic benefits without accompanying structural and operational improvements.

The strength of welfare support indicates that non-financial services like training, healthcare, and social programs are perceived as more impactful and relevant to rural members' well-being. Cooperatives, therefore, act not just as financial intermediaries but also as support systems in enhancing rural livelihoods.

Recommendations

Based on the findings of the study, the following recommendations are made:

1. Cooperative management should provide credit tied to specific productive activities; offer financial literacy and business training programs to members and extend repayment periods to allow for income generation before repayment.
2. Cooperatives should institutionalize and expand welfare programs (including health programs, housing assistance, and training initiatives); Government or NGO partners can co-fund essential support services and regular feedback should be collected to ensure relevance and coverage.

References

- Aderinoye-Abdulwahab, S.A., Nwachukwu, S.C., Salawu, O.L., & Poopola, P.O. (2015). Assessment of livelihood activities of rural farmers in Kwara State, Nigeria. *Ethiopian Journal of Environmental Studies & Management*, 8(2), 120 - 129. <http://dx.doi.org/10.4314/ejesm.v8i2.2>
- Akeredolu-Ale, E.O., & Aribiah, O. (2019). *Public policy and old-age security in Nigeria*. Ibadan, Nigeria: Center for Social Policy.
- Akintayo, O. J., Olufemi, D. S., & Adeteju, O. E. (2022). An assessment of impact of cooperative society on the well-being of inhabitants of Osun state, Nigeria: Ile-Ife as a case study. *International Research Journal of Modernization in Engineering Technology and Science*, 4(7), 1570-1584.
- Akintunde, M.O. (2021). Rural livelihood improvement: An assessment of household strategies and activities in Adamawa State, Nigeria. *Journal of Rural and Community Development*, 16(1), 1-22.
- Alabi, O., & Johnson, P. (2023). The impact of co-operative training programs on productivity and job creation. *Journal of Business and Economic Development*, 19(3): 45-60.
- Carney, D. (2015). *Sustainable rural livelihoods: What contribution can we make?* London, England: Department of International Development.
- Carter, M.R. and Weibe, O. (1990). Access to Capital and its Impact on Agrarian Structure and Productivity in Kenya. *American Journal of Agricultural Economist*, 4(1)1146-50.
- Chambers, R., & Conway, R. (1992). *Sustainable Rural Livelihood: Practical Concepts for 21st Century*. Brighton: Institute of Development Studies.

- Daudu, S., & Ajayi, A. O. (2019). Assessment of Agricultural Technology Transfer by Agricultural Development Programmes (ADPs) in Benue State, Nigeria. *Journal of Human Ecology*, 27(2), 111-118.
- DFID (Department for International Development) (1999). *Sustainable Livelihoods Guidance Sheets*.
- Ebonyi, V., & Jimoh, O.B. (2002). *Cooperative movements; A way out of poverty*. Lagos: Longman Publishers
- Emegwara, S O., Emegwara, C P & Itodo, E.P. (2025). Sustenance of Rural Livelihoods through Rural Cooperatives in Enugu East Local Government Area of Enugu State, Nigeria. *International Journal of Sub-Saharan African Research (IJSSAR)*, 3(1) 232-244, DOI: 10.5281/zenodo.15100464
- Eucharia, O. (2018). *Assessment of the Contribution of Cooperative Societies in the Development of the Youth: A Study of Selected Cooperative Societies in Dunukofia Local Government Area, Anambra State, Nigeria*. A thesis submitted to the Department of Cooperative Economics and Management, Faculty of Management Science, Nnamdi Azikiwe University, Awka, Anambra State.
- Falola, A., Mukaila, R. (2022). Organic maize farming practices in Nigeria: Drivers and barriers. *Mediterranean Agricultural Sciences*, 35(3), 147-154.
- Falola, R M., Nafiu, G O., Olanrewaju, A S., Akanbi, S O., Obetta, A E., & Igweh A. C. (2023). Assessment of the livelihoods of the rural vulnerable group in Nigeria. *Scientific Papers Series Management, Economic Engineering in Agriculture and Rural Development*, 23(4).
- Fan, S., & Rue, C. (2023). Agricultural and rural development in times of uncertainty. *Journal of Agricultural Economics*, 73(4), 923-940.
- Gabriel, J., & Deutscher, J. (2023). Robust cooperative output regulation for networks of hyperbolic PIDE-ODE systems. *IEEE Transactions on Automatic Control*, 69(2), 888-903.
- ICA (1995). International cooperative alliance (ICA). *Review of International Cooperatives*. 4:85-86.
- Ijaiya, M. A., & Adesina-Uthman, G. A. (2019). Does poverty discriminate between genders? An examination of household poverty in Niger State. *Lapai International Journal of Management and Social Sciences*, 11(2): 2006-6473.

- Ijaiya, M. A., Dayang, A. A. M., & Ramli, N. R. (2016). Social capital and poverty reduction in Niger State, Nigeria: a structural equation modeling approach. *International Journal of Academic Research in Business and Social Sciences*, 6(11), 2222-6990.
- International Cooperative Alliance (ICA) (2015). The Netherlands. *Guidance Notes to the Cooperative Principles*. International cooperative Alliance.
- Israr, M., Yaseen, A., & Ahmad, S. (2017). Land degradation a threat to sustainable rural development in northern highlands of Pakistan. Proceeding of International Conference on Rural Development Conference 9-11 July 2017 Bangkok Thailand. Pp. 124-136.
- Lawal, K. A., Taiwo, A O., & Katagum, B (2017). Promoting Rural Livelihood through Cooperative Society in Lagos State: A Study of Farmers Multipurpose Cooperative Societies in Ojo L.G.A of Lagos State Nigeria. *Nigerian Journal of Management Sciences* 6(1).
- Levi, M. (2002). *The Promotion of Cooperatives*, ILO Cooperative Branchat www.ica.coo/europe/ra2002/speech.
- Mhembwe, S., & Dube, E. (2017). The role of cooperatives in sustaining the livelihoods of rural communities: the case of rural cooperatives in Shurugwi District, Zimbabwe. *Jambá: Journal of Disaster Risk Studies*, 9(1), 1-9.
- Mianis, A.M., & Darwish, M.O. (2022). Sustainable rural livelihood challenges in Afghanistan's Ghazni province: Using ATLAS.ti software. *European Journal of Agricultural and Rural Education*, 3(6), 1-9.
- Muhammad, B.M. & Daura, H.A. (2021). Membership of co-operative society and livelihoods promotion of rural women in Katsina State, Nigeria. *International Journal of Adult and Development Education*, 1(1), 1-13.
- Mukaila, R., Falola, A., Akanbi, S.O., Aboaba, K.O., & Obetta, A.E. (2022). Drivers of poverty among rural women in Nigeria: Implications for poverty alleviation and rural development. *The Journal of Rural and Community Development*, 17(1), 32-48.
- National Bureau of Statistics, Nigeria. (2022). Population Projections for Nigeria 2013 – 2050. <https://nigerianstat.gov.ng/resource/POPULATION%20PROJECTION%20Nigeria%20sgfn.xls>.
- Ndagi, I., Ahmed, A., Ubandoma, G.A. & Umar, A. (2023). The role of co-operative society in improving farmers' livelihoods in Niger State, Nigeria. *Journal of Agripreneurship and Sustainable Development (JASD)*, 6(1): 222-230.

- Nwafor, G.O., & Umebali, E. E. (2025). Effect of Cooperative Societies on Poverty Alleviation in Rural Communities in Ezeagu Local Government Area, Enugu State, Nigeria. *International Journal of Community and Cooperative Studies*, 13(1), 1-16.
- Nwafor, K. A., & Chidi-Irem, O. R. (2023). Exposure to care-giver radio programme and knowledge/use of mosquito-treated nets among pregnant women and nursing mothers in Ikwo, Ebonyi State, Nigeria. *International Journal of sub-Saharan African Research*, 1(1), 10-17.
- Okorodudu, F. O., Orukpe, A. O., Imianvan, A., & Ojugo, A. A. (2023). Knowledge Based System for Population Growth Prediction. *Journal of Harbin Engineering University*, 44(12).
- Olojede, M.O., Rasaki W.A., Adeoye A, Amoo, O., & Olayanju, A.I. (2020). Impact of Farmers' Cooperative Society Membership on Rural Household Livelihood Development in Oyo State Oyo State College of Agriculture and Technology, Igboora, Oyo State, Nigeria. *International Journal of Research and Scientific Innovation (IJRSI)*, VII(V).
- Oluwole, A., & Adebayo, K. (2023). The role of Rural Co-operatives in rural job Creation and economic development. *Journal of Co-operative Economics and Development*, 16(4), 58-72.
- Rennie, J.K. & Singh, N. (2016). *Participatory research for sustainable livelihoods*. International Institute for sustainable Development. Winnipeg: Manitoba Publisher.
- Rotimi, G.G. (2024). Enhancing rural livelihoods in Nigeria: A review of opportunities for economic growth and building resilience. *International Journal of Applied Economics, Finance and Management* 9(1).
- Sitko, N., Knowles M., Viberti, F., & Bordi, D. (2022). *Assessing the impacts of the COVID-19 pandemic on the livelihoods of rural people: A review of the evidence*. Rome, FAO. <https://doi.org/10.4060/cb7672en>.
- Tumenta, B. F., Amungwa, F A and Nformi M. I. (2021). Role of agricultural cooperatives in rural development in the era of liberalization in the North West and South West regions of Cameroon. *Journal of Agricultural Extension and Rural Development*, 13(1), 69-81 DOI:10.5897/JAERD2020.1211
- United Nations, (2019). *Harnessing the Power of Cooperatives to achieve Sustainable Development for All*. <https://www.un.org/development/desa/cooperatives/2019/03/12/power-of-cooperatives/> Accessed on 18-01-21.

Wikipedia, The Free Encyclopedia (2014). Women in Cooperatives. Retrieved from:
<http://en.wikipedia.org>.