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# ESUT Journal of Education (EJE)

Vol. 6 Issue 1, May 2023

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## Employment Generation as a Variable in Poverty Alleviation in Enugu and Ebonyi States: the Role of Cooperative Societies

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### ABSTRACT

*The purpose of this research work is to examine “employment generation as a variable in poverty alleviation in Enugu and Ebonyi States, Nigeria: The role of cooperative societies. One research question and one null hypothesis tested at 0.05 level of significance guided the study. Descriptive survey design was adopted for the study. A sample size of 193 presidents of multi-purpose cooperatives in Enugu and Ebonyi States was used for the study. The instrument for data collection was a researcher developed structured questionnaire termed; employment generation questionnaire (EGQ). The instrument was validated by 3 experts, two from Department of Adult and Continuing Education and one from the Department of Mathematics and Computer Education. Cronbach Alpha method was used to determine the reliability of the instrument. The research question was answered using mean and cluster mean scores, while the hypothesis was tested using t-test statistic at 0.05 level of significance and critical value of 1.96. Results of data analyses indicates that the respondents were of the opinion that cooperative societies alleviate poverty through employment generation. Based on the findings of the study, recommendations were made among others that all stakeholders in the cooperative enterprises in Enugu and Ebonyi States should encourage the establishment of more cooperatives including adequate funding of existing ones.*

**Keywords:** Employment generation, poverty alleviation, cooperative societies.

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### INTRODUCTION

Poverty and unemployment have become features of the living conditions and life situation of the vast majority of the citizens in Enugu and Ebonyi States. Dichotomy of strata in society as a result of socio-economic life affects the development processes in communities subsequently, this has made people to come together through cooperative societies to exploit avenues for developing themselves and their communities at large (Adekola and Dokubo, 2017). The importance of cooperative societies with regards to poverty alleviation can be likened to its avenue of income generation to members of the community where it exists and also to community members who are likely to benefit from its

operation in the areas of employment generation. A cooperative society is an autonomous association of persons united voluntarily to meet their common economic, social and cultural needs and aspirations through a jointly owned and democratically controlled enterprise (Ezekiel, 2014). Cooperatives work on the principle of mutual help and welfare.

Cooperative societies have been a major source of employment for rural dwellers, and rural women in particular who are members of cooperative group, their dependants and other members of rural communities. Many of them are illiterate. One major characteristic shared by these



rural women is poverty. Wanyama, Devetthere and Pollet (2008) maintain that cooperative societies create employment by directly employing people who run the cooperative enterprises and indirect employment to those who run the subsidiary ventures.

Poverty alleviation refers to deliberate policies or strategies instituted by governments and non-governmental organizations aimed at tackling the problems associated with poverty. It connotes deliberate policies and actions either by individuals, groups, communities, national governments or international bodies aimed at reducing the misery, hardship and suffering of people in a given place at a particular time (Abbas 2016). The objectives of any poverty alleviation programme should be aimed at the provision of essential social amenities or services such as education, sanitation, water supply, agricultural inputs and skills training. Poverty alleviation is all about resolving social, economic, cultural and psychological barriers that ensure a life of misery for the people (Bhardwaj, 2009). Theoretical studies in cooperatives and employment by generations of various authors have widely contributed on cooperative as employment creating organs. Wangama et al cited in Ezekiel (2014) asserts that cooperative societies create employment opportunities through the following means – Employment of personnel who directly run the enterprises owned by the cooperative societies. The various government ministries, departments and cooperative colleges and non-governmental organizations or agencies who provide support services to the cooperatives, employ staff. They form a kind of symbiotic relationship with the various cooperative societies in the area of employment generation and supply of goods and services. These are direct wage employment and presents ample contribution to employment generation even though

evidence reveals that substantial number of people are directly being engaged at various government and non-governmental agencies (Lagos State Ministry of Agricultural and Cooperative, 2013). This excludes the season labourers who especially undertake specific tasks like working in mills, block industries, farms and other enterprises.

Cooperatives facilitate employment through members' owned enterprises contributing substantially to the country's gross domestic product (GDP). Levin in Ezekiel (2014) submits that cooperative societies employ more than 100 million individuals worldwide.

Fakoya and Ashimolowo (2010) posit that cooperative could be a veritable tool for fighting the unemployment scourge and endemic poverty in the Nigeria society. It is presently estimated that the global cooperative movement directly provides productive self-employment for several hundred million cooperative members, their dependents and employees.

Chukwu (2012) avers that increasing number of workers are being employed by cooperatives in diverse sectors such as health, education, agriculture, transportation, tourism, social services, public services, banking and more.

It is based on the above revelations that the researcher got interested to examine; employment generation as a variable in poverty alleviation in Enugu and Ebonyi States: The role of cooperative societies. This forms the gap to be filled by the present study.

### **Statement of the Problem**

The unemployment and poverty situation in the society is at an alarming rate. This could partly be due to the limited awareness of cooperatives in the society. The people fail to understand what cooperative society

really mean or its role in the society. Despite all the effort towards tackling unemployment and poverty alleviation by the cooperative movement, there are obstacles that hinders people from participating and enjoying these economic benefits. It is uncertain whether cooperatives are agents of poverty alleviation through employment generation. This forms the problem of this study. This could be put in question form thus: How are cooperative societies agents of poverty alleviation through employment generation?

### **Purpose of the study**

The main purpose of the study is to:

1. Determine how cooperative societies alleviate poverty through employment generation.

### **Research Question**

1. How do cooperative societies alleviate poverty in Enugu and Ebonyi States, through employment generation?

### **Hypothesis**

The following null hypothesis was tested at 0.05 level of significance

- H<sub>01</sub>:** There is no significant difference in the mean response scores of cooperative heads from Enugu state and those from Ebonyi State on how cooperatives alleviate poverty as it concerns employment generation.

### **Method**

The researcher adopted descriptive survey research design. The study was carried out in the two states in South East geopolitical zone of Nigeria namely; Enugu and Ebonyi. The population for the study was 3,358 presidents of all the 3,358 cooperatives societies in Enugu and Ebonyi States. A breakdown shows that Enugu has 1,930 cooperative societies, while Ebonyi State has 1,428 cooperative societies (Local government Area Cooperative Offices and

Cooperative Department Headquarters, 2022).

It is imperative to state that the use of presidents of the multi-purpose cooperative societies is as a result of their experience and deep understanding of the business of cooperatives in general.

The sample size for the study was 336 presidents of all the multi-purpose cooperative societies in Enugu and Ebonyi States. Proportionate stratified random sampling technique was used to draw 10% of all the presidents of the 1930 cooperative societies in Enugu State, i.e. 193 and 1,428 presidents of all the cooperatives in Ebonyi State i.e. 143. The sample size is therefore 336.

The use of 10% is in response to Uzoagulu (2011) who argued that 10% sample is good for population of one thousand and above. Following the proportional stratified sampling, convenience sampling was adopted to draw the proportionate number of individuals from each local government area. It must be stated that the above process ensures an even spread of the sample of the study over all the local government areas of both states.

The instrument used for data collection was cooperative societies and poverty alleviation questionnaire (CSPAQ). The instrument was developed by the researcher and validated by three experts, two from Adult and Continuing Education and one from the Department of Mathematics and Computer Education all in Faculty of Education, Enugu State University of Science and Technology.

The reliability of the instrument, the researcher trial tested the instrument on a representative sample of 20 presidents of multi-purpose cooperative societies from Anambra and Abia States because of their

close affinity with area of the study sharing boundaries, language, population and other characteristics.

Cronbach Alpha method was used to determine the reliability coefficient of the instrument. The overall reliability estimate yielded 0.75 indicating a high reliability of the instrument for the study. The researcher employed the services of ten (10) research assistants for effective administration and collection of the questionnaire on and from the respondents. The researcher achieved 100% returned rate of administered questionnaire. The research assistants are the staff of local government area cooperative offices in Enugu and Ebonyi States. It is imperative to state that a 92%

return rate of the distributed questionnaire, was achieved. The data collected for the study was analyzed using mean scores. This is because a four-point scale was used to design the instrument.

**Result**

The result was presented in accordance with the research question and hypothesis that guided the study

**Research Questions 1**

How do cooperative societies alleviate poverty among rural women in Ebonyi and Enugu states through employment generation?

**Table 1: mean scores, cluster mean and standard deviation of respondents on how cooperative societies alleviate poverty among rural women in Ebonyi and Enugu states through employment generation**

SN	Cluster 1: Employment ITEMS Generation	177 Enugu Cooperative Heads						130 Ebonyi Cooperative Heads							
		SA 4	A 3	D 2	SD 1	X	STD	Dec.	SA 4	A 3	D 2	SD 1	X	STD	Dec.
	Cooperative societies help in alleviating poverty among rural women in Ebonyi and Enugu States through employment as;														
1	Farmhands for land clearing	81	70	18	08	3.27	0.82	AGREE	41	28	22	39	2.55	1.22	AGREE
2	Farmhands for land ploughing	74	66	21	16	3.12	0.94	AGREE	50	25	31	24	2.78	1.15	AGREE
3	Farmhands during seed planting	71	61	30	15	3.06	0.95	AGREE	49	38	37	06	3.00	0.92	AGREE
4	Farmhands for weeding activities	62	57	31	27	2.87	1.06	AGREE	38	36	34	22	2.69	1.07	AGREE
5	Farmhands for harvesting purposes	60	48	39	30	2.78	1.09	AGREE	41	37	33	19	2.77	1.05	AGREE
6	Workers in rice mills	90	63	28	06	3.34	0.80	AGREE	39	36	31	24	2.69	1.09	AGREE
7	Feed suppliers for animal husbandry	55	53	48	21	2.80	1.01	AGREE	43	37	32	18	2.81	1.05	AGREE
8	Attendants in cooperative commodity shops	40	38	61	38	2.45	1.07	DISAGREE	21	33	34	42	2.25	1.08	DISAGREE
9	Workers in block industries	51	50	46	30	2.69	1.07	AGREE	37	36	34	23	2.67	1.07	AGREE
10	Workers in fruit processing factories	29	36	48	64	2.17	1.09	DISAGREE	18	27	39	46	2.13	1.05	DISAGREE
11	Collectors in cooperative thrift ventures (Isusu)	69	58	32	18	3.01	0.99	AGREE	41	30	28	31	2.62	1.16	AGREE
12	Raw materials suppliers for fruit processing industries	31	40	53	53	2.28	1.08	DISAGREE	15	22	38	55	1.98	1.03	DISAGREE
13	Workers in soap making ventures	32	38	49	58	2.25	1.10	DISAGREE	17	26	33	54	2.05	1.07	DISAGREE
14	Workers in snail farming	56	48	44	29	2.74	1.08	AGREE	54	40	21	15	3.02	1.02	AGREE
15	Workers in bee keeping ventures	52	47	43	35	2.66	1.10	AGREE	39	36	31	24	2.69	1.09	AGREE
<b>Cluster Mean and Standard Deviation (SD)</b>		<b>2.77 1.02 AGREE</b>						<b>2.58 1.07 AGREE</b>							

Data as presented in table 1 reveals that both groups of respondents agreed that cooperative societies in Ebonyi and Enugu states alleviate poverty among rural women in both states. This was confirmed by mean scores of 2.77 for heads of cooperative associations in Enugu State and 2.58 for heads of cooperative association in Ebonyi

State. A closer look at the table shows that despite the general agreement by the respondents, their opinion was to disagree in items 8, 10, 12 and 10 for both groups of respondents.

### Hypotheses

H<sub>01</sub>: There is no significant difference between the mean response scores of heads of cooperative societies from Enugu and Ebonyi States on how cooperative societies alleviate poverty through employment generation.

**Table 5: t-test of significant difference between the mean response scores of respondents on how cooperative societies alleviate poverty in Enugu state in terms of employment generation.**

Respondents	N	$\bar{X}$	SD	Df	t-cal	t-crit	Decision
Enugu Cooperative Heads	177	2.77	1.02	305	1.56	1.96	Not Rejected

Table 5 above shows that the value of t-calculated (t-cal) of 1.56 is less than the t-critical (t-crit) which is 1.96 at 0.05 level of significance. The null hypothesis was therefore not rejected. This means there is no significant difference between the mean response scores from Enugu counterparts on the cooperative societies on poverty alleviation in Enugu state through employment generation.

### Discussion of findings

The findings of the study are discussed below in line with the research question and hypothesis that guided the study.

Result of data analysis for research question 1 revealed that cooperative societies alleviate poverty in Enugu State through employment generation. From the cluster mean scores for Enugu Cooperative heads respectively, the study found that the respondents agreed that cooperative societies alleviate poverty in Enugu State through employment generation. This finding is in line with the position of Wanyama et al in Ezekiel (2014) who maintain that cooperative societies create employment opportunities through following means:

- Employment of personnel who directly run the enterprises owned by the

cooperative societies. The various government (ministries, department and cooperative college and non-governmental organizations or agencies who provide support services to the cooperative, employ staff. These ministries and agencies form a kind of symbiotic relationship with the various cooperative societies in the area of employment generation and supply of goods and services.

- Cooperative societies are indeed a veritable instrument in fighting the unemployment scourge. Contributing, Fakoya and Ashiwolowo (2010) posit that cooperative societies are a potent tool for the fight against unemployment.

### Summary and Conclusion

The study examined employment generation as a variable in poverty alleviation in Enugu and Ebonyi States, Nigeria: The role of cooperative societies. One research question was formulated to guide the study, while the only null hypothesis was tested at 0.05. The design of the study was descriptive survey research design, using a researcher developed questionnaire as instrument for data collection. Validation of the instrument was carried out by three experts from the Faculty of Education, ESUT. The reliability coefficient of the instrument was determined using Cronbach Alpha with the reliability

index of 0.79. Mean and cluster mean scores was used in answering the research question, while t-test statistics was used in testing the hypothesis at 0.05 level of significance and critical value of 1.96.

Result from data analysis indicate that the respondents agreed that cooperative societies alleviate poverty through employment generation. There was no significant difference between the mean response scores of cooperative heads in Enugu State and their counterparts in Ebonyi State in relation to poverty alleviation through employment generation in the two states.

### Recommendations

Based on the finding, from the study, the following recommendations were made:

1. All stakeholders in the cooperative enterprise especially the government of Enugu and Ebonyi States should encourage the establishment of more cooperatives, plus adequate funding of existing ones. It will enhance their capacity for employment generation and thence poverty alleviation among the people.
2. For effective adoption of cooperative societies, the government of Enugu and Ebonyi States and other foreign and local donors should ensure prudent management of available resources by various cooperative societies in Enugu and Ebonyi States.

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