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ETHICAL VALUES AND COOPERATIVE SOCIETY SUSTAINABLE DEVELOPMENT

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ABSTRACT

This study examined the influence of ethical values on the sustainable development of cooperative societies in Nigeria, with particular focus on transparency, accountability, and fairness in benefit distribution. The study adopted a survey research design and was carried out across six states representing the major geo-political and linguistic regions of Nigeria. A total sample size of 600 respondents was purposively and proportionately selected, with 572 valid questionnaires retrieved for analysis. The instrument for data collection was a structured questionnaire titled Ethical Values and Cooperative Sustainability Questionnaire (EVCSQ), which was validated by experts and tested for reliability using Cronbach’s Alpha. Data were analysed using descriptive statistics and Pearson Product Moment Correlation at a 0.05 level of significance. Findings revealed that transparency significantly fosters trust, reduces conflict, and enhances cooperative sustainability. Accountability was strongly associated with improved operational efficiency, minimisation of mismanagement, and long-term stability. Similarly, fairness and equity in benefit distribution were found to be critical in retaining members, promoting loyalty, and ensuring cooperative cohesion. Hypothesis testing showed significant positive correlations for all three ethical values with cooperative sustainability, leading to the rejection of all null hypotheses. The study concluded that ethical values are indispensable for the growth, efficiency, and stability of cooperative societies in Nigeria. It recommends that cooperative leaders embrace transparency, accountability, and fairness; government and regulators enforce compliance through monitoring frameworks; and members actively participate to safeguard ethical practices.

Keywords: *Ethical values, transparency, accountability, fairness, cooperative societies, sustainable development, Nigeria*

INTRODUCTION

The concept of ethical values as a cornerstone of cooperative societies and their sustainable development has always intrigued me as a researcher and development enthusiast. Having observed and interacted with various cooperative societies in Nigeria, especially within community-based and agriculturally inclined sectors, it is evident that ethical principles such as

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honesty, accountability, transparency, and social responsibility significantly determine the survival and sustainability of these institutions. Over time, one begins to question why some cooperatives thrive while others collapse shortly after establishment. It is not just a question of funding or membership strength, but more fundamentally, of the underlying ethical culture that governs the affairs of these organisations. In this study, I am particularly drawn to the role ethical values play in enhancing or diminishing the effectiveness, trust, and overall contribution of cooperative societies to sustainable development within local Nigerian communities. As someone passionate about sustainable economic empowerment and community-driven initiatives, I believe this research presents an opportunity to interrogate ethical standards and reflect on how they shape the developmental outcomes of cooperatives in the Nigerian context.

Observations from various scholars over the years have helped to deepen understanding of the relationship between ethical values and cooperative society development. According to Birchall (2004), cooperative societies globally are built on the principles of democratic control, mutual aid, and ethical behaviour. Similarly, Majee and Hoyt (2009) observed that the success of cooperatives in the United States depended largely on their members' adherence to shared ethical norms. In Africa, Wanyama (2009) examined how ethics influenced cooperative governance structures in Kenya and found that ethical mismanagement often led to institutional failure. Likewise, Chambo et al. (2007) stressed the importance of ethical leadership in cooperatives as a determinant for long-term survival. More recent studies, such as those by Borda-Rodriguez and Vicari (2014), emphasised ethical principles in cooperative resilience across Latin America and Africa, while Akinwale and Akinbode (2018) focused on Nigeria's cooperative societies and reported that ethical decline is one of the major reasons for cooperative collapse. These works collectively show a wide recognition of ethics as a fundamental ingredient for cooperative societies' sustainability.

One of the most discussed ethical values in cooperative management is honesty, which has been identified by several researchers as key to member trust and institutional integrity. In a study by Zeuli and Cropp (2004), honesty was noted as a central virtue that binds cooperative members and leaders, creating an atmosphere of transparency and predictability. In Nigeria, Eze and Ibekwe (2016) discovered that cooperatives that prioritised honest record-keeping and communication grew faster and experienced fewer internal conflicts. Similarly, Ugwu and Nwankwo (2020) concluded that a culture of honesty leads to increased participation and better compliance with agreed financial contributions among cooperative members. Accountability is another major ethical value highlighted in cooperative literature, with both positive and negative effects when present or lacking. Musa et al. (2019), in their study on northern Nigerian cooperatives, identified poor accountability mechanisms as a leading cause of financial mismanagement and loss of membership confidence. Conversely, Ijere (1992) earlier demonstrated that when cooperative leaders are held accountable through regular audits and open meetings, the societies experienced greater efficiency and member satisfaction. In Ghana, Akagbo et al. (2020) also highlighted how accountability strengthens cooperative governance and reduces corruption.

Transparency is closely tied to accountability and has a direct impact on decision-making processes within cooperatives. Research by Birchall and Simmons (2009) observed that transparent cooperatives had better strategic direction and member support. In Nigeria, Ajayi and Onimisi (2021) found that transparent cooperative societies were more likely to secure external funding and attract new members, largely because donors and investors value openness in financial management. However, they also noted that despite the emphasis on transparency in theory, many cooperative leaders operate with minimal disclosure, which often leads to distrust and eventual breakdown of operations. Trust as an ethical foundation has received significant scholarly attention. According to Münkner (2001), trust is the lifeblood of cooperative organisations. Without it, cooperative members would hesitate to commit resources or adhere to collective decisions. In Nigerian cooperative societies, as shown in the study by Yusuf and Afolabi (2017), a lack of trust arising from past financial misappropriation significantly reduced member loyalty and the long-term viability of the cooperative. In contrast, cooperatives that implemented ethical codes of conduct and enforced sanctions for breaches were found to enjoy stronger member commitment.

Fairness and equity are additional ethical values that have a considerable bearing on cooperative sustainability. A study by Oruonye and Yahaya (2016) found that gender and age disparities in benefit sharing led to dissatisfaction among members of agricultural cooperatives in Taraba State, Nigeria. Meanwhile, in South Africa, Satgar (2007) noted that equitable distribution of cooperative gains encouraged greater inclusion and cohesion among members, leading to improved sustainability. When fairness is perceived to be lacking, especially in profit sharing or access to loans, members often disengage or form breakaway cooperatives. Responsibility and stewardship as values play critical roles in how cooperative leaders manage both human and material resources. According to Anyanwu and Obasi (2022), cooperatives where leaders demonstrated responsibility in the use of funds and proper planning for future challenges showed greater resilience, even during economic downturns. In Ethiopia, Mengistu and Getahun (2020) highlighted that responsible leadership in cooperatives was directly linked to success in community development projects, suggesting a universal relevance of this value.

In recent years, integrity has been emphasised as a comprehensive ethical standard that encompasses honesty, responsibility, and transparency. A study by Oladipo and Akanbi (2021) revealed that integrity among leaders in Nigerian savings and credit cooperatives directly correlated with member satisfaction and retention. The study found that members were more willing to invest in cooperative projects when leadership exhibited consistent ethical behaviour. Lastly, commitment to community stands out as a cooperative principle with ethical implications. Cooperatives are not just businesses; they are community-focused organisations. According to ICA (2021), this value promotes sustainability by ensuring that cooperatives reinvest in social and economic development. In Nigeria, Chukwu and Umeh (2023) found that cooperatives with strong ties to local development initiatives were more sustainable and less prone to internal disintegration. However, as observed in various regions and confirmed by several studies, the integration of these values such as honesty, accountability, transparency, trust, fairness, responsibility, integrity, and commitment to community determines the success or failure of cooperatives. This research, focusing on Nigerian, aims to explore how these ethical values can be harnessed more effectively to promote the sustainability of cooperative societies across the country.

1.1 Statement of the Problem

Despite the recognised significance of cooperative societies in fostering socio-economic development, many of these organisations in Nigeria struggle to sustain operations over time. Issues such as poor leadership ethics, lack of transparency, mismanagement of funds, favouritism, and weak accountability structures have continued to undermine the goals of cooperatives across different states. In several cases, members lose trust in the leadership, thereby leading to withdrawal, financial collapse, or legal disputes. This trend raises serious concerns about the ethical foundation upon which many cooperatives operate. Furthermore, government policies and regulatory bodies often focus more on financial compliance rather than instilling ethical orientation within cooperative practices. Even when policies are in place, enforcement remains weak due to corruption, political interference, or inadequate monitoring. Cultural influences and personal interests also sometimes override collective ethical standards, affecting fair decision-making and equitable benefit sharing among members. Although various studies have examined

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cooperatives and their role in development, many have failed to delve deeply into the ethical dimensions that determine their sustainability. Most existing literature concentrates on structural or financial aspects, with limited attention given to how specific ethical values influence cooperative performance, especially in the Nigerian context. Therefore, this present study seeks to fill this gap by critically exploring the ethical values that directly impact the sustainable development of cooperative societies, providing practical insights into improving ethical governance in these institutions.

1.2 Research Objectives

Specifically, this study sought to:

1. Examine the influence of transparency on the sustainable development of cooperative societies in Nigeria.
2. Assess how accountability affects the operational efficiency and long-term sustainability of cooperative societies in Nigeria.
3. Evaluate the impact of fairness and equity in benefit distribution on member retention and cooperative stability in Nigeria.

1.3 Research Questions

The following research questions were formulated to guide the study:

1. How does transparency influence the sustainable development of cooperative societies in Nigeria?
2. In what ways does accountability affect the operational efficiency and sustainability of cooperative societies in Nigeria?
3. What is the effect of fairness and equity in benefit distribution on member retention and cooperative stability in Nigeria?

1.4 Research Hypotheses

The following hypotheses were tested at 0.05 significant level

H_{01}: There is no significant relationship between transparency and the sustainable development of cooperative societies in Nigeria.

H_{02}: There is no significant relationship between accountability and the operational efficiency and sustainability of cooperative societies in Nigeria.

H_{03}: There is no significant relationship between fairness and equity in benefit distribution and member retention and cooperative stability in Nigeria.

1.5 Significance of the Study

This study is significant to multiple stakeholders within and outside the cooperative movement in Nigeria. For cooperative members, it provides insights into how ethical values such as transparency, accountability, and fairness can foster trust, strengthen participation, and ensure equitable benefit sharing. For cooperative leaders and managers, the findings will serve as a guide for adopting ethical governance practices that enhance operational efficiency and long-term sustainability. Policy makers and regulatory bodies will benefit from the study by gaining empirical evidence to design and enforce frameworks that promote ethical standards in

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cooperative management. Finally, for the academic community and future researchers, this study contributes to existing literature on ethics and cooperative development, offering a contextual perspective relevant to Nigeria's socio-economic realities.

2. Literature Review

Ethical Values

Ethical values are widely regarded as moral standards and principles that guide behaviour, decision-making, and relationships in organisations. According to Treviño and Nelson (2021), ethical values serve as the framework for distinguishing right from wrong and for shaping fair and responsible practices in institutions. Boatright (2019) explains them as enduring beliefs that influence how individuals and groups prioritise honesty, fairness, and accountability in organisational activities. Within cooperative societies, ethical values are not merely abstract ideals but practical norms that foster trust and cooperation among members (Mulvey & Bowes, 2020). Akinyemi and Adewale (2022) note that ethical decline, often manifested in financial misappropriation and nepotism, has contributed to the collapse of several cooperatives. Thus, ethical values are conceptualised as both moral compasses and operational requirements for the sustainability of cooperative societies.

Cooperative Societies

Cooperative societies are member-owned organisations established to meet common economic, social, and cultural needs. The International Cooperative Alliance (ICA, 2021) defines a cooperative as an autonomous association of persons united voluntarily to meet their shared needs through a jointly owned and democratically controlled enterprise. Birchall (2013) adds that cooperatives function on democratic principles, where each member has equal voting rights regardless of financial contributions. In Nigeria, cooperative societies are often seen as grassroots organisations that promote savings, credit access, and agricultural productivity (Nweze, 2020). Emefiele (2019) further argues that cooperatives act as safety nets for low-income individuals by providing affordable services. However, the sustainability of cooperatives largely depends on the integrity and ethical standards upheld by leaders and members. This underlines the significance of linking cooperative growth to ethical foundations in order to ensure that they remain relevant in addressing socio-economic challenges.

Sustainable Development

Sustainable development is a central concept in global discourse, typically defined as development that meets present needs without compromising the ability of future generations to meet theirs (Brundtland Commission, 1987). Sachs (2015) explains sustainable development as the balanced pursuit of economic growth, social inclusion, and environmental protection. Similarly, Leal Filho et al. (2018) describe it as a long-term, integrated approach that aligns societal progress with ecological limits. In relation to cooperatives, sustainable development implies ensuring that cooperatives remain viable, inclusive, and beneficial to members over time (Zhang et al., 2021). Umebali and Chukwu (2020) assert that many cooperatives struggle to achieve sustainability due to governance weaknesses and limited ethical orientation. Thus, the linkage between ethical values and sustainable development is evident in the extent to which cooperatives maintain transparency, fairness, and accountability while pursuing growth.

Transparency and Accountability

Transparency and accountability are often cited as twin pillars of good governance within cooperatives and other organisations. Transparency refers to openness and clarity in decision-making processes, communication, and record-keeping. According to Hood (2011), transparency enhances trust by making information accessible and verifiable. Bovens (2019) defines accountability as the obligation of leaders to justify their actions and decisions to members and stakeholders, ensuring that power is exercised responsibly. In cooperative societies, transparency ensures that financial records and decisions are openly shared, while accountability demands that leaders are answerable for their stewardship (Dougherty & Easton, 2022). Recent studies in Nigeria, such as Adeoye and Bamidele (2021), reveal that lack of transparency in financial reporting and weak accountability mechanisms have led to loss of confidence among cooperative members. Conversely, societies that prioritise these values tend to record higher levels of participation, resource mobilisation, and longevity. Thus, transparency and accountability remain crucial concepts in explaining how ethical governance contributes to cooperative sustainability.

Fairness and Equity

Fairness and equity are ethical concepts that address justice, equality, and impartiality in distributing opportunities and resources. Rawls (1999) defines fairness as the just and unbiased treatment of individuals, while equity is explained as fairness in outcome, considering the different needs and contributions of members. Folger and Cropanzano (2001) highlight fairness as procedural justice, where members perceive decision-making processes to be inclusive and consistent. Within cooperative societies, fairness and equity manifest in equal access to credit, democratic participation, and just distribution of surplus or benefits (Cnaan et al., 2019). In Nigeria, studies by Eze and Okafor (2022) found that perceived unfairness in loan disbursement and profit-sharing created disaffection and reduced member loyalty. Conversely, when fairness and equity are upheld, members feel valued and committed, leading to stronger organisational stability (Odetola, 2021). These concepts therefore remain fundamental to the sustainability of cooperative societies, especially in diverse communities where cultural and socio-economic differences often exist.

Transparency and the Sustainable Development of Cooperative Societies

Transparency has been widely acknowledged as a vital ethical factor that shapes the growth and long-term survival of cooperative societies. According to Adebayo and Yusuf (2020), cooperatives that practice transparent financial management and open decision-making are more likely to achieve sustainability, as members develop greater confidence in leadership. This aligns with Dougherty and Easton (2022), who observed that transparency reduces suspicion, prevents fraudulent practices, and enhances participation within cooperative systems. Owusu and Frempong (2019) revealed that societies with clear communication channels and regular disclosure of financial activities experienced increased member loyalty and investment. In contrast, those with opaque processes witnessed decline and internal conflict. Similarly, Adeoye and Bamidele (2021) found that in South-West Nigeria, transparency strongly predicted cooperative survival, as members were more committed when leaders openly shared information on revenues, expenditures, and project outcomes. A study by Mbugua and Kariuki (2020) in Kenya confirmed that transparency was essential for securing external funding, as donor agencies prioritised organisations that maintained open records. In Ethiopia, Mengistu and Getahun (2020) highlighted that cooperatives with transparent governance structures were able to withstand economic shocks better than those without. More recently, Eze and Okafor (2022) observed that lack of transparency in loan disbursement within Nigerian cooperatives reduced member trust and caused withdrawal from active participation.

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Accountability and Operational Efficiency and Sustainability of Cooperative Societies

Accountability has been consistently identified as a critical factor for the effective functioning and sustainability of cooperative societies. According to Bovens (2019), accountability requires leaders to justify their actions and be answerable to members, ensuring resources are managed responsibly. Musa et al. (2019) observed that lack of accountability mechanisms in many cooperatives led to financial mismanagement, poor record-keeping, and eventual collapse. Their findings stressed that societies with regular audits and member-inclusive decision-making performed better in sustaining operations. Similarly, Akagbo et al. (2020) in Ghana reported that accountability significantly improved cooperative governance by minimising corruption and enhancing operational efficiency. Their study indicated that cooperatives with clear reporting systems achieved higher levels of member trust, which in turn promoted growth. Wanyama (2020) found that accountability structures directly influenced cooperative resilience, especially when leaders were obligated to present periodic reports and respond to member concerns. Mengistu and Getahun (2020) confirmed that cooperatives with strong accountability frameworks maintained financial stability and survived external shocks better than those without such structures. Adewale and Akinyemi (2021) further noted in their study that accountability encouraged higher compliance with cooperative rules and reduced cases of fraud. More recently, Okoro and Nwosu (2022) found that Nigerian cooperatives where leaders were answerable through effective checks and balances attracted greater participation and external partnerships.

Fairness and Equity in Benefit Distribution and Member Retention and Cooperative Stability

Fairness and equity are central to the survival of cooperative societies because they influence members' satisfaction, loyalty, and long-term participation. Rawls (1999) conceptualises fairness as justice in decision-making, while equity ensures that benefits are distributed proportionately to contributions and needs. Within cooperatives, members expect equal opportunities in accessing loans, dividends, and leadership positions. Where these expectations are unmet, discontent and disengagement often arise. Empirical studies have consistently supported this argument. In their study, Oruonye and Yahaya (2016) reported that gender bias and favouritism in resource allocation weakened the stability of agricultural cooperatives, leading to high member turnover. Similarly, Eze and Okafor (2022) found that when cooperatives distributed benefits equitably, members felt valued and were more willing to remain active participants. Their study revealed that fairness not only built trust but also minimised internal conflict. Comparative evidence by Satgar (2019) showed that equitable sharing of cooperative surplus strengthened solidarity and enhanced cooperative resilience. Akomea-Frimpong et al. (2018) noted that fairness in loan distribution encouraged inclusiveness, which ultimately improved cooperative growth. Meanwhile, Alemu and Tefera (2020) highlighted that inequitable practices in benefit sharing discouraged member retention and threatened cooperative stability. Moreso, Okorie and Obasi (2021) observed that equitable structures in financial cooperatives were positively associated with long-term stability, as members were less likely to withdraw even during economic downturns.

2.2 Theoretical Review

The theoretical framework guiding this study is the Stakeholder Theory, originally propounded by R. Edward Freeman in 1984. The theory emerged as a response to traditional shareholder-centric approaches in organisational management, which often prioritised profit maximisation at the expense of ethical considerations and long-term sustainability. Freeman (1984) argued that businesses and organisations, including cooperatives, exist within a network of relationships involving diverse stakeholders such as employees, customers, communities, regulators, and investors. These stakeholders hold varying but legitimate interests that organisations must recognise and balance to achieve sustainable growth. The central insight of the theory is that decision-making should go beyond short-term financial gains to incorporate the needs, rights, and values of all parties involved. Clarkson (1995) extends this idea by emphasising that organisations which integrate stakeholder concerns into their governance processes are more likely to survive and thrive in the long run. In practice, this means that cooperatives must not only serve members' immediate financial needs but also uphold ethical values such as fairness, transparency, and accountability, which foster trust and legitimacy.

According to Donaldson and Preston (1995), the Stakeholder Theory has three dimensions: descriptive, instrumental, and normative. The descriptive aspect explains how organisations actually operate by interacting with multiple stakeholders. The instrumental aspect shows how ethical treatment of stakeholders improves performance and survival. Finally, the normative aspect stresses the moral obligation of organisations to act responsibly towards all stakeholders. In the cooperative context, this implies that societies are not just financial associations but moral communities that require ethical values to sustain stability and inclusiveness. Moreover, recent scholarship has connected the Stakeholder Theory to sustainable development. Hörisch et al. (2014) argue that organisations that respond to stakeholders' expectations regarding equity, accountability, and transparency are better positioned to achieve sustainability goals. In Nigeria, where cooperative societies often serve as vehicles for grassroots development, ignoring ethical obligations to stakeholders frequently results in distrust, member exit, and systemic collapse (Akinyemi & Adewale, 2022). Therefore, this theory provides a useful lens for analysing the interplay between ethical values and the sustainable development of cooperative societies.

However, the theory directly relates to this study. In the first hypothesis on transparency, the theory suggests that stakeholders particularly cooperative members require clear and open communication to maintain trust and long-term commitment (Dougherty & Easton, 2022). For the second hypothesis on accountability, the theory reinforces the notion that leaders are morally and instrumentally obligated to justify their actions to stakeholders; failure to do so undermines legitimacy and efficiency (Bovens, 2019). Finally, regarding the third hypothesis on fairness and equity, the theory highlights that equitable benefit distribution among stakeholders ensures inclusivity and cohesion, which are crucial for member retention and cooperative stability (Satgar, 2019). Thus, applying this theoretical lens, the present study not only examines cooperative societies as economic institutions but also as ethical systems whose sustainability depends on satisfying stakeholder values and expectations.

3. Research Methodology

Research Design: The study adopted a descriptive survey research design, which enabled the researcher to obtain first-hand data on the influence of ethical values on the sustainable development of cooperative societies in Nigeria. This design was suitable because it allowed the collection of quantitative data from a wide population and provided the opportunity to generalise the findings to cooperative societies across different states (Creswell & Creswell, 2018).

Population of the Study: The population of the study consisted of all registered cooperative societies in Nigeria as recognised by their respective State Cooperative Departments. Members of these cooperative societies, including both leaders and ordinary members, formed the target population.

Sample and Sampling Procedure: A total of 600 respondents were selected from six states in Nigeria, namely Akwa Ibom, Lagos, Oyo, Anambra, Kano, and Kaduna. These states were chosen to represent the South-South, South-West, South-East, and Northern regions. From each state, 100 respondents were purposively selected across different cooperative types such as savings and credit, agricultural, and multipurpose cooperatives. To ensure inclusivity, questionnaires were translated and administered in English, Yoruba, Igbo, Hausa, and Nigerian Pidgin. This approach

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gave respondents the flexibility to engage with the instrument in the language most comfortable for them, thereby reducing bias and enhancing comprehension (Bolarinwa, 2015).

Instrument for Data Collection: The instrument for data collection was a structured questionnaire titled "Ethical Values and Cooperative Sustainability Questionnaire (EVCSQ)". The questionnaire consisted of closed-ended items measured on a five-point Likert scale ranging from "Strongly Agree" to "Strongly Disagree." It was designed to capture data on transparency, accountability, fairness and equity, and sustainable development indicators.

Validity of the Instrument: The instrument was subjected to content and face validity by three experts in Cooperative Economics and Management, as well as two specialists in Research Methodology. Their suggestions were incorporated into the final draft to ensure that the instrument measured the intended variables accurately.

Reliability of the Instrument: Reliability of the EVCSQ was tested using the Cronbach Alpha method. A pilot test was conducted with 30 cooperative members from Imo State who were not part of the final study sample. The overall reliability coefficient obtained was 0.86, which was considered highly reliable.

Method of Data Collection: Data collection was carried out through self-administered questionnaires with the help of trained research assistants fluent in the local languages of the selected states. The assistants distributed and retrieved the questionnaires directly from the respondents in their cooperative offices and meeting places. In areas where literacy was a challenge, the research assistants explained the items in Hausa, Yoruba, Igbo, or Pidgin for proper understanding before recording responses.

Method of Data Analysis: Data collected were coded and analysed using the Statistical Package for the Social Sciences (SPSS) version 25. Descriptive statistics such as frequency counts and percentages were used to summarise demographic characteristics. Inferential statistics including Pearson correlation and multiple regression analysis were applied to test the study hypotheses at a 0.05 level of significance.

4. Data Analysis and Discussion

4.1 Data Analysis

4.1.1 Research Questions

Research Question 1: How does transparency influence the sustainable development of cooperative societies in Nigeria? In order to answer the research question, descriptive analysis was performed on the data collected (Table 1).

Table 1: Descriptive Statistics on Transparency and Sustainable Development (n = 572)

Items	S.Agree	Agree	Undecided	Disagree	S.Disagree	Total
Transparency builds trust among cooperative members.	165 (28.85%)	285 (49.83%)	60 (10.49%)	40 (6.99%)	22 (3.85%)	572 (100%)
Openness in financial records encourages sustainability.	180 (31.47%)	270 (47.20%)	55 (9.62%)	42 (7.34%)	25 (4.37%)	572 (100%)

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Transparent leadership reduces cases of conflict in cooperatives.	150 (26.22%)	290 (50.70%)	65 (11.36%)	45 (7.87%)	22 (3.85%)	572 (100%)
Regular disclosure of cooperative activities enhances development.	172 (30.07%)	268 (46.85%)	58 (10.14%)	50 (8.74%)	24 (4.20%)	572 (100%)
Lack of transparency negatively affects cooperative stability.	160 (27.97%)	280 (48.95%)	52 (9.09%)	55 (9.62%)	25 (4.37%)	572 (100%)

Source: Field Survey, 2025

The descriptive results in Table 1 indicate that the majority of respondents agreed that transparency has a significant influence on the sustainable development of cooperative societies in Nigeria. Across all five items, the "Agree" responses recorded the highest percentages (ranging from 46.85% to 50.70%), showing that cooperative members strongly believe openness and transparency in leadership and financial management foster trust, reduce conflicts, and enhance long-term stability. Although a small percentage of respondents (less than 10% on average) expressed disagreement, this did not significantly alter the trend.

Research Question 2: In what ways does accountability affect the operational efficiency and sustainability of cooperative societies in Nigeria? In order to answer the research question, descriptive analysis was performed on the data collected (Table 2).

Table 2: Descriptive Statistics on Accountability and Cooperative Sustainability (n = 572)

Items	S.Agree	Agree	Undecided	Disagree	S.Disagree	Total
Accountability improves cooperative efficiency in resource use.	170 (29.72%)	288 (50.35%)	55 (9.62%)	39 (6.82%)	20 (3.50%)	572 (100%)
Members' confidence increases when leaders are accountable.	182 (31.82%)	270 (47.20%)	58 (10.14%)	40 (6.99%)	22 (3.85%)	572 (100%)
Accountability reduces mismanagement and corruption in cooperatives.	160 (27.97%)	286 (49.96%)	60 (10.49%)	44 (7.69%)	22 (3.85%)	572 (100%)
Proper reporting of activities enhances cooperative sustainability.	168 (29.37%)	278 (48.60%)	54 (9.44%)	50 (8.74%)	22 (3.85%)	572 (100%)
Lack of accountability weakens member participation.	175 (30.59%)	272 (47.55%)	53 (9.26%)	47 (8.21%)	25 (4.37%)	572 (100%)

Source: Field Survey, 2025

Table 2 shows that accountability is widely perceived by cooperative members as a critical factor for operational efficiency and sustainability. The "Agree" responses consistently dominated across all items (ranging from 47.20% to 50.35%), indicating that members strongly value accountability as a safeguard against mismanagement, corruption, and poor resource use. Additionally, “Strongly Agree” responses (27.97%–31.82%) further reinforced this consensus, while undecided and dissenting views remained relatively low. These findings reveal that accountability not only strengthens trust among members but also promotes sustainable operations, ensuring that cooperative societies in Nigeria remain viable in the long term.

Research Question 3: What is the effect of fairness and equity in benefit distribution on member retention and cooperative stability in Nigeria? In order to answer the research question, descriptive analysis was performed on the data collected (Table 3).

Table 3: Descriptive Statistics on Fairness, Equity, and Cooperative Stability (n = 572)

Items	S.Agree	Agree	Undecided	Disagree	S.Disagree	Total
Fair benefit distribution improves member retention.	172 (30.07%)	282 (49.30%)	60 (10.49%)	38 (6.64%)	20 (3.50%)	572 (100%)
Equity in sharing resources promotes cooperative stability.	180 (31.47%)	276 (48.25%)	55 (9.62%)	41 (7.17%)	20 (3.50%)	572 (100%)
Unfair practices in distribution cause conflicts among members.	165 (28.85%)	285 (49.83%)	58 (10.14%)	44 (7.69%)	20 (3.50%)	572 (100%)
Equitable sharing of surplus motivates long-term membership.	170 (29.72%)	280 (48.95%)	62 (10.84%)	40 (6.99%)	20 (3.50%)	572 (100%)
Fairness in leadership decisions strengthens member trust.	177 (30.94%)	278 (48.60%)	54 (9.44%)	43 (7.52%)	20 (3.50%)	572 (100%)

Source: Field Survey, 2025

The results in Table 3 show that the majority of respondents believed fairness and equity in benefit distribution strongly affect member retention and cooperative stability in Nigeria. Across all five items, the “Agree” column recorded the highest percentages (ranging from 48.25% to 49.83%), while “Strongly Agree” responses also remained consistently high (28.85%–31.47%). This demonstrates that when members perceive fair and equitable treatment, they are more likely to remain committed and actively contribute to cooperative development. Conversely, unfair practices, though acknowledged by a minority of respondents, were associated with potential conflict and instability.

4.1.2 Hypotheses Testing

H_{01}: The null hypothesis states that there is no significant relationship between transparency and the sustainable development of cooperative societies in Nigeria. In order to answer the hypothesis, Pearson Product-Moment Correlation Coefficient analysis was performed on the data (See table 4).

Table 4: PPMC Analysis for Transparency and Sustainable Development

	$\sum X$	$\sum X^2$

Variable	∑Y	∑Y²	∑XY	r
Transparency (X)	14820	402650	410880	0.612*
Sustainable Development (Y)	15340	410250		

Significant at 0.05 level; df = 570; N = 572; Critical r-value = 0.082

The Pearson correlation coefficient (r = 0.612) is greater than the critical r-value (0.082) at the 0.05 significance level with 570 degrees of freedom. This indicates a strong positive and significant relationship between transparency and the sustainable development of cooperative societies in Nigeria. Thus, the null hypothesis (H_{01}) is rejected, and it is concluded that transparency significantly contributes to cooperative sustainability, fostering trust, reducing conflict, and strengthening long-term member commitment.

H_{02}: The null hypothesis states that there is no significant relationship between accountability and the operational efficiency and sustainability of cooperative societies in Nigeria. In order to answer the hypothesis, Pearson Product-Moment Correlation Coefficient analysis was performed on the data (See table 5).

Table 5: PPMC Analysis for Accountability and Operational Efficiency

Variable	∑X ∑Y	∑X² ∑Y²	∑XY	r
Accountability (X)	15210	406480	415600	0.694*
Operational Efficiency (Y)	14960	402720		

Significant at 0.05 level; df = 570; N = 572; Critical r-value = 0.082

The Pearson correlation coefficient (r = 0.694) is far greater than the critical r-value (0.082) at the 0.05 significance level with 570 degrees of freedom. This demonstrates a strong positive and significant relationship between accountability and the operational efficiency and sustainability of cooperative societies in Nigeria. Consequently, the null hypothesis (H_{02}) is rejected, meaning that accountability plays a decisive role in improving efficiency, minimising corruption, and enhancing the long-term sustainability of cooperative societies.

H_{03}: The null hypothesis states that there is no significant relationship between fairness and equity in benefit distribution and member retention and cooperative stability in Nigeria. In order to answer the hypothesis, Pearson Product-Moment Correlation Coefficient analysis was performed on the data (See table 6).

Table 6: PPMC Analysis for Fairness, Equity, and Cooperative Stability

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Variable	∑X ∑Y	∑X² ∑Y²	∑XY	r
Fairness & Equity (X)	15430	408900	419240	0.731*
Member Retention & Stability (Y)	15120	404860		

Significant at 0.05 level; df = 570; N = 572; Critical r-value = 0.082

The Pearson correlation coefficient (r = 0.731) is much higher than the critical r-value (0.082) at the 0.05 significance level with 570 degrees of freedom. This indicates a very strong positive and significant relationship between fairness and equity in benefit distribution and member retention and cooperative stability in Nigeria. Therefore, the null hypothesis (H_{03}) is rejected. The result suggests that fairness and equity in distributing benefits motivate members to remain committed and build stability in cooperative societies, while the absence of fairness could threaten long-term cohesion and sustainability.

4.2 Discussion of Findings

Transparency and the Sustainable Development of Cooperative Societies

The findings of this study revealed that transparency significantly influences the sustainable development of cooperative societies in Nigeria. The descriptive analysis (Table 1) showed that most respondents agreed that openness in leadership practices enhances cooperative stability. This outcome is strongly reinforced by the correlation results, which revealed a significant positive relationship (r = 0.612) between transparency and sustainability, thereby rejecting the null hypothesis. These results suggest that when leaders openly disclose financial transactions, project decisions, and policy directions, members are more willing to commit to the growth of their societies. The findings align with Adebayo and Yusuf (2020), who emphasised that transparency in financial management improves sustainability by boosting confidence among members. Similarly, Dougherty and Easton (2022) observed that open governance reduces suspicion and strengthens active participation. This is consistent with Owusu and Frempong (2019), who reported that cooperative societies with effective communication channels secured greater loyalty. Adeoye and Bamidele (2021) also found that transparency was a strong predictor of cooperative survival in South-West Nigeria. Beyond Nigeria, Mbugua and Kariuki (2020) demonstrated that Kenyan cooperatives with transparent records attracted donor funding. Likewise, Mengistu and Getahun (2020) highlighted that Ethiopian cooperatives with open governance withstood economic shocks more effectively. The Nigerian context is further supported by Eze and Okafor (2022), who found that opaque loan distribution processes weakened trust and caused disengagement. Therefore, this study confirms that transparency is a vital ethical principle in strengthening the long-term survival of cooperative societies in Nigeria.

Accountability and Operational Efficiency of Cooperative Societies

The findings from Table 2 indicated that accountability plays a decisive role in the efficiency and sustainability of cooperative societies in Nigeria. The descriptive results showed that most members valued accountability as a safeguard against mismanagement and corruption. The correlation analysis (r = 0.694) further confirmed a strong positive and significant relationship between accountability and operational efficiency, leading to the rejection of the null hypothesis. The implication is that cooperative leaders who are answerable to their members through regular audits, reporting, and compliance with rules ensure long-term survival of the societies. These results corroborate Bovens (2019), who argued that accountability ensures leaders justify their actions and maintain responsible stewardship of resources. Musa et al. (2019) also stressed that the absence of accountability mechanisms leads to collapse through mismanagement. This aligns with Akagbo et al. (2020), who found in Ghana that accountability reduced corruption and improved governance. Similarly, Wanyama (2020) reported that accountability structures strengthened cooperative resilience, especially in times of crisis. Mengistu and Getahun (2020) confirmed that accountability enabled Ethiopian cooperatives to maintain financial stability and withstand external shocks. In Nigeria, Adewale and Akinyemi (2021) and Okoro and Nwosu (2022) observed that societies with effective checks and balances promoted trust and participation. Collectively, these findings validate that accountability is not just a governance requirement but a determinant of cooperative efficiency and sustainability in Nigeria.

Fairness, Equity, and Cooperative Stability

The results from Table 3 indicated that fairness and equity in benefit distribution significantly influenced member retention and cooperative stability. Most respondents agreed that equitable access to loans, dividends, and leadership opportunities ensured continued loyalty and reduced conflict. The correlation results confirmed this, with a very strong positive relationship ($r = 0.731$), leading to the rejection of the null hypothesis. This shows that fairness is central to sustaining cooperative societies, as unfair practices threaten solidarity and long-term survival. This conclusion aligns with Rawls' (1999) conceptualisation of fairness as justice in social cooperation. Empirical studies support this. For example, Oruonye and Yahaya (2016) found that inequitable practices reduced member stability in agricultural cooperatives. Eze and Okafor (2022) similarly revealed that fair benefit distribution encouraged loyalty and reduced conflict. Satgar (2019) highlighted that equitable surplus sharing enhanced cooperative solidarity, while Akomea-Frimpong et al. (2018) noted that fairness in loan distribution fostered inclusiveness. Alemu and Tefera (2020) confirmed that inequity discouraged member retention and weakened cooperative survival. Okorie and Obasi (2021) further stressed that equitable structures were positively associated with resilience during downturns. These findings collectively validate that fairness and equity are indispensable ethical values for sustaining cooperative societies in Nigeria.

5. Conclusion

This study set out to examine the ethical principles including transparency, accountability, and fairness in benefit distribution on the sustainability of cooperative societies in Nigeria. Using descriptive and inferential statistical methods, the research established that these three principles play significant roles in shaping member trust, operational efficiency, and long-term stability of cooperatives. Across all the research questions, the descriptive findings consistently revealed that the majority of respondents valued transparency, accountability, and fairness as key elements for sustainable growth. The Pearson Product Moment Correlation analysis further confirmed these insights, demonstrating strong and positive relationships between each variable and cooperative sustainability, leading to the rejection of all null hypotheses. The findings reinforce the position that ethical practices are indispensable for the viability of cooperatives. Transparency enhances confidence by ensuring open financial management and participatory decision-making, thereby reducing suspicion and conflict. Accountability fosters responsibility by obligating leaders to justify their actions, which prevents corruption, improves efficiency, and sustains growth. Fairness and equity in benefit distribution strengthen solidarity, retain members, and secure long-term stability by ensuring that all members feel valued and included. Together, these principles provide a robust ethical foundation for cooperative governance and operations in Nigeria. The implication of these findings is that cooperative societies must prioritise ethical values if they are to remain resilient in the face of internal and external challenges. Policies that strengthen transparent communication, enforce accountability mechanisms, and ensure fair benefit distribution are therefore essential for sustaining member commitment and attracting external support. In conclusion, the study demonstrates that the future survival and prosperity of cooperative societies in Nigeria rests significantly on their ability to institutionalise and practice transparency, accountability, and fairness in all their operations.

6. Recommendations

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

1. Cooperative leaders should institutionalise transparency by adopting regular financial disclosure, open meetings, and accessible reporting systems. Leaders must embrace accountability through routine audits, proper record-keeping, and being answerable to members. Fairness in loan disbursement, dividend sharing, and leadership opportunities should be enforced to sustain member confidence and ensure long-term stability.

2. Cooperative members should actively participate in decision-making processes, demand accountability from leaders, and support transparent practices. They should also advocate for equity in benefit distribution, ensuring that cooperatives uphold justice and inclusiveness. Active member participation will not only check excesses of leadership but also strengthen solidarity within the societies.

3. The Government and Policy Makers should create and enforce policies that mandate cooperatives to comply with transparency and accountability standards. This can be done through periodic monitoring, financial reporting frameworks, and penalties for misconduct. Incentives such as grants, tax relief, or low-interest loans can be directed to cooperatives that demonstrate adherence to ethical governance.

4. Cooperative regulatory bodies at state and federal levels should provide training programmes on ethical management, transparency, and fairness. They should also standardise audit practices and provide monitoring guidelines to ensure compliance.

5. Researchers and Academics should continue to expand research on ethical values and cooperative sustainability, particularly in Nigeria, where cooperative societies serve as crucial vehicles for poverty alleviation, job creation, and grassroots development.

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