

**ANALYSIS OF LOAN VARIETIES IN ACCESIBILITY AND THEIR
IMPACT ON MEMBERS INDIVIDUAL SMALL SCALE BUINESSES**

(A Study of Two Thrift And Credit Co-Operative Societies In Kaduna)

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KADUNA POLYTECHNIC

**BEING A RESEARCH PROJECT SUBMITTED TO THE DEPARTMENT OF
COOPERATIVE ECONOMICS AND MANAGEMENT, IN PARTIAL
FULFILLMENT OF THE SREQUIREMENT FOR THE AWARD OF HIGHER
NATIONAL DIPLOMA IN COOPERATIVE ECONOMICS AND
MANAGEMENT**

JUNE, 2022

DECLARATIONN

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DEDICATION

This project is dedicated parents Mr. & Mrs. Ibrahim Tagwai for their support, prayers and encouragement.

ACKNOWLEDGEMENTS

All the praise be to the Almighty God for sparing my life throughout my Higher National Diploma (HND) programme in Kaduna Polytechnic.

I wish to express my profound gratitude and sincere thanks to my project supervisor. Mr Akut Sale Daniel, for his wise, powerful guidance and constructive criticism and numerous advices without him this work would not have been possible.

I am also indebted to members and staff in the department of cooperative economics and management most especially Dr Usman A Usman, Mr. Sunny Ogbu, Augustine D. Buden, Mallam Babangida Isiyaku, Dr. Joseph Ogbu. Who offered me some advice and gave several suggestions.

I am also profoundly grateful to my father and my ever sweet mother for their financial and moral assistance throughout my studies.

My sincere thanks goes to my brothers and sister, my loving brother from another mother Michael Utomi, who has contributed one way or the other.

Above all I will give thanks to the almighty for guiding me throughout my stay in Kaduna Polytechnic, Kaduna and for enabling me to complete my course successfully

ABSTRACT

The study Examine the Analyses of Loan varieties Accessibility and their impact on members Individual Small Scale Businesses with references to Gbagi Investment and Credit Co-operative Society Limited and Adara Credit and Loan Co-operative Society all in Gonin gora Chikun LGA of Kaduna State. The research questions that guided the study were: what are the role of investment and credit Societies in the provision of alternative means of income to individual members small scale business? What are the pattern of business activities of investment and credit Societies towards the welfare of members? What are the types of alternative means of income rendered to individual members small scale business? What are the factors that militate against investment and credit Societies in providing individual members small scale businesses credit? A survey method was used for this study. Out of a total 156 members, a sample size of 113 was used for the study. The questionnaire was a closed-ended questionnaire of 5 point likert scale which was developed by the researcher. Simple percentages were used on the respondents' bio-data while mean was used to analyze the data based on research questions. Research results show that investment and credit cooperative society serve as an indispensable tool for socio-economic transformation and indeed general improvement in the welfare of members and their small scale businesses which promotes their economic welfare. The pattern of business activities of investment and credit cooperative society are numerous and are carefully designed to cater for the provision of alternative means of income for members. Members of investment and credit society have been alternatively assisted by the activities rendered by investment and credit cooperative societies. For instance, access to long term loans, build up capital to finance their projects etc. This has contributed immensely to their wellbeing. Problems factors that militate against investment and credit Societies in providing for members include, member's apathy, lack of finance for expansion, inability of members to pay their loans on time and so on. It was based on this therefore that, recommendations were made.

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CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Cooperation is a phenomenon that denotes any form of working together voluntarily by persons or individuals to achieve common goals. A cooperative was born as a result of reaction against capitalism, competition, poverty etc and injustice that associated with them. With its interwoven values of mutual assistance, solidarity, self-management and democracy and its pursuit of economic and social objective geared towards development of the community as a whole, the cooperative movement has veritable tools and valuable scope and the effectiveness for improving the social, economic and cultural condition of population and thus combating poverty.

The activities of credit and loan cooperative are mainly thrift, loaning and recovery. Various authors have tried to give meaning to the concept of thrift and loan/credit society. According Burden (2012) for instance, thrift and loan is the workers credit society which an organization established in a work place for employees with the aim of enabling them (employees) to save part of their salary (normally deducted at source) and give them the opportunity to borrow when in financial difficulties.

The relevance of cooperative enterprise to the economic development of members is apparent. As an organization of people, cooperatives are designed to help their members meet economic and social needs and aspirations (International Cooperative Alliance 1995). As democratic and participatory organizations, cooperatives encourage equity and equality. As economic entities, they provide members services, at low cost, being locally-rooted institutions; they reflect their community concerns with social justice and the environment.

Members have different motives of joining cooperative societies ranging from economic, socio/emotional and indeed external pressure. Economically, reduction in the cost of production, fighting for a discount in terms of marketing/consumer cooperatives attracts people to join cooperatives. Socio/emotionally, isolation and loneliness, search for security, search for protection, "avoid being the odd man out" etc and perhaps external pressure force people to participate in cooperative enterprise. In terms of external pressure, like government forced or compared people to become members of a cooperative as only cooperative societies will benefit from certain resources of the country. (Amahalu, 2006; Chukwu, 1990). Chukwu, (1990) opines that, in a situation where members joined cooperative and their motives are not

ascertained, members tends to behave in a negative way. This sometimes leads to the collapse of such cooperative society. Given the aforementioned benefits accruing from Investment and Credit cooperatives, an analysis of loan type accessibility and impact on members of investment and credit cooperatives is the thrust of this study.

1.2 Statement of the Problem

Investment and Credit cooperative societies focus their attention on advancing and protecting the common economic, social and cultural needs and aspiration of its members. Cooperative provides the potential for reducing the gap in the economy of developing countries (Ijere, 2010). From time to time, concerted efforts are made by every organization to provide alternative means of income to alleviate the socio-economic problems of its members through cooperatives. Members would feel better than non-members if they are given constant incentives to make cooperative membership worth the while. This could enhance industrial harmony. For instance, Adesina (1998) suggests that if cooperative is established for workers of any organization to enable them get an alternative means of income; the workers will be at peace economically and will continue to be effective in the performance of their duties to their organizations.

In a related development, Adesina (1998) warns also that, if these are not fully implemented the society shall go down. Besides Ijere (1980) believes that, those who come together have a common economic aim which they cannot achieve by individual isolated action because of the weakness of the economic position of the majority of them. The element in individual weakness is over by pooling of their economic resources by making self-help effective through mutual aid and by strengthening the bonds of moral solidarity between them.

However, it is apparent that maximum attention has not been given to the impact of investment and credit Societies on the economic development of members especially in the area under study. No physical evidence to buttress the fact that cooperative members' welfare is improved. If members are provided with alternative means of income by Thrift and loan society, members' standard of living would have improved tremendously and this could lead to peace of mind of the members but this is yet to be achieved. Consequently, the problem of this study is to find out how Thrift and loan cooperatives have actually contributed to the economic development of the members in the area under study.

1.3 Objectives of the Study

The general objective this study is Analyses the Loan varieties Accessibility and their impact on Members Individual Small Scale Businesses, with reference to Gbagi investment and credit cooperative society limited Goni gora, Kaduna and Adara loan and credit co-operative society Limited Gonin Gora Kaduna. The specific objectives are as follows:

1. To find out the role of investment and credit Societies in the provision of alternative means of income to individual members small scale businesses.
2. To examine the pattern of business activities of investment and credit Societies towards the welfare of members.
3. To determine the types of alternative means of income rendered to members individual members businesses by investment and Credit Societies.
4. To assess the factors that militates against investment and credit Societies in providing credit to individual members small scale businesses.

1.4 Research Questions

The following research questions guided the study:

1. What are the role of investment and credit Societies in the provision of alternative means of income to individual members small scale businesses?
2. What are the pattern of business activities of investment and credit Societies towards the welfare of members?
3. What are the types of alternative means of income rendered to members individual small scale businesses by investment and Credit Societies?
4. What are the factors that militate against investment and credit society in providing credit to individual members small scale businesses?

1.5 Significance of the Study

The study is significant because it will be of great relevance to Analyses the Loan Type Accessibility and their impact on Members Individual small scale Businesses, with reference to Gbagi investment and credit cooperative society societies limited, Goni gora and Adara loan and credit co-operative society Limited, Gonin gora, Kaduna. This research work will be important to Kaduna State government, cooperative departments, co-

operative members, cooperate organizations that are concerned with cooperative activities, credit and investment cooperative societies in particular, indeed incoming students and to some extent other researchers who are carrying out similar researches.

The public who are interested in cooperatives have a role to play here. They will use the results of this study as a baseline for forming cooperative of this type or joining such cooperatives society. This will among others create more awareness on the role of credit and investment cooperative in the provision of alternative means of income for members.

1.6 Scope of the Study

The study Analyses the Loan Type Accessibility and their impact on Members Individual Small Scale Businesses, with reference to Gbagi investment and credit cooperative society societies limited and Adara credit and loan co-operative society all located in Goni gora. The role of investment and credit Societies in the provision of alternative means of income to members, the pattern of business activities of investment and credit Societies towards the welfare of members, the types of alternative means of income rendered to members by investment and Credit Societies as well as the factors that militates against investment and credit

Societies in providing for members fall within the scope of this study.

Only questionnaire was used to gather the data needed.

1.7 **Definition of Terms**

Cooperative – this is coming together of two or more people in other to achieve a common felt needs.

Credit Cooperative - This is the type of cooperative which gives loans to its members.

Management Committee - Means the Government body to which the management of its affairs is entrusted.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

2.1 Introduction

This chapter reviews related literature on analyses of loan type accessibility and impact on members of investment and credit cooperative society. The chapter highlights expert opinions, established concepts, theories and indeed factual statements on the subject under study. The chapter is segmented sub-headings such as: the Concept of Cooperatives, the Meaning of Investment and Credit Societies, Roles of Investment and Credit Society in the Patterns of Business of Investment and Credit Societies, the Types of Assistance Rendered to Members by Investment and Credit Societies, the Factors Militating against the Operation of Investment and Credit Societies and summary of Literature Review

2.2 The Concept of Cooperatives

Cooperation and Cooperative derived their origin from the mutual understanding respect and dependence. It is derived from the French words "Espirit de corps" which means working together. Asaolu (2004) believes that cooperative was derived from a Latin dictum "OPERATE" meaning to work and the prefix "co" meaning together. In this case, two major

approaches have been used to describe cooperative societies. These are economic and social aspect, and social/cultural background of the movement. However, the major emphasis in cooperative is on self help. Thus people cooperate because they realize that it extremely difficult to achieve some goals by working alone. Reeves (2003) opines that the best way of pushing back the limit of economic problem of scarcity is by working together. This is because more can be achieved when people coordinate their efforts with each other and take concerns and talents of others into considerations.

Various definitions have been advanced for cooperative by different authors based on their perception of the phenomenon (Okechukwu 2001). The simple fact is that any definition of cooperative society, which does not promote the economic interest of the members, cannot be a true definition of cooperative (Okechukwu 2001). This is because cooperative is first and foremost a business. It can be regarded as company and its members are the shareholders. Being so, every cooperative organization is supposed to make its members richer, if this does not happen, the cooperative has no right to exist at all. According to Chukwu (1990) Cooperation is a very generic term. It means any form of two or more persons working together to achieve some aims. He said that such working together may be on a formal or informal

basis, economic and non-economic in nature. Management making approximately equal or proportional contribution to capital, driving proportionate services and benefit from it (Okonkwo 2001) Cheesman has also recognized that the membership must be voluntarily and geared towards solving common problems through a concerted effort (Okonkwo 2001).

According to Okonkwo (2001) a Cooperative society is an association of individual who have willingly come together for the purpose of working together toward achieving a common goal and the Association is voluntary and not by compulsion. Working together towards underline collective responsibility while common objective implies that the felt need must be applicable to all members. ILO (1978) defines cooperative as an association of persons usually of limited means who have voluntarily joined together to achieve a common economic end through the formation of democratically controlled business organization, making equitable contributions to the capital required and accepting a fair share of the risk and benefit of undertaking.

Above all the aforementioned definitions of cooperatives, the International Cooperative Alliance (ICA) which is the world apex body of cooperative movements at its centennial congress and General Assembly in Manchester (1995) gave the whole picture of a cooperative organization

as "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".

Generally, a co-operative may be defined as an association of persons who pool their resources together on mutual basis to solve specific socio-economic problem which may include income generating activities. Co-operative can also define as a self-help creation. The ICA has been accepted and recognized for co-operative throughout the world as the final authority for defining cooperatives and for determining the underlying principles, which give motivation to co-operative enterprise.

The term co-operative can be defined from several angles. Co-operative can be defined based on the legal angle, the sociological angle and the economic angle. The legal angle of the, definition which we define from the cooperative law (Berko, 1983).

The sociological definition is the one that places emphasis on the sociological entity of the co-operatives than the economic entity, the economic angle on the other place emphasis on the co-operative as a business entity than co-operative being merely as association of persons. Certainly, one cannot have a satisfactory definition of co-operative without socio-economic approach (Berko, (1989) in Chukwu, (1990).

The three former co-operative society's laws of Nigeria defined a co-operative as "A society which has as its object the promotion of the economic interest of, or the provision of services or goods for its members in accordance with co-operative principles or a society established with the object of facilitating the operation of such societies. (Sec. 5(1), ENSCL; Sec 4, WNCSL; and Sec. 4, NNCSL).

The international Labour organization in its international Labour conference recommendation 127 of 1996 defined co-operative society as; an association of persons who have voluntarily joined together to achieve a common and a through the formation of a democratically controlled organization, making the equitable contributions to the capital required and accepting a fair share of the risks and benefits of the undertaking in which the members actively participate". (ILO, 1966).

The International Co-operative Alliance (ICA) in its statement on the co-operative identify, in 1995 defines a co-operative as “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”

Berko, (1983) defined the term ‘Co-operative’ as An autonomous, voluntary and open association of persons, in the sociological sense, with variable

membership and variable capital whose members have proved their resources on the basis of self-help, similarity, mutual assistance and self-reliance to form a democratically managed and controlled business is the promotion of the socio-economic problem of these members by directly providing them with goods, capital and services or employment in the members dual capacity as either owner:- customers or owner employees in auxiliary and productive societies respectively.

Chukwu cited Berko, (1990) opined that, co-operative is an association made up of socially weak person, endeavoring to achieve certain social aims within the frame work of solidarity and democracy, it instills ideas of mutual help and social responsibility as part of new ideas of society.

Chukwu cited Berko, (1990) says that co-operative is association who have voluntarily, joined together to achieve a common end through the formation of a democratically controlled organization, making equitable contributions to the capital required and accepting a fair share of the risks and benefits of the undertaking in which the members actively participate.

Co-operative values

Co-operative values are general norms that co-operators, co-operative leaders and cooperative should share, and which should determine their

ways of thinking and acting. They are our statement of what we think is the right thing to do. (Babagida and Usman (2007) cited Sven (1992).

It is in our statement of values that we engage the hearts, conscience and loyalty of co-operative members. The I.C.A Manchester congress of (1995) presented a list of nine basic and ethical values in statement co-operatives are based on the value of self-help, democracy, equality, equity and solidarity, cooperative members believe in the ethical values of humanity, openness, social responsibility and caring for others (Ogbu, 2007).

Self-help

This value is opposed to dependence. This is the belief that one does not have to wait for government or other external bodies to solve its immediate problem or need. People have the will and the capability to improve their destiny peacefully through joint action which can be more powerful than individual effort, particularly through collective action in the market. Co-operative are organized by people so that they can solve their common problem and also in their immediate environment without waiting for government or external body to solve their problems.

Democracy

Democracy, as a co-operative value is opposed to autocracy and dictatorship. Members of co-operative have the right to participate to be informed to be heard and to be involved in making decisions.

Members are the source of all authority in the co-operative. The basic unit of the co-operative is the members, this basis in human personality is one of the main forms controlled primarily in the interest of capital.

Equality

Co-operative believes in human equality. Human equality means treatments of all members as equal in the conduct of their affairs without discrimination of sex, race, religion, parties class or financial status. Equal rights and opportunities for people to participate democratically will improve the use of society's resources and foster mutuality, understanding and solidarity. This value is strongly opposed to inequality in co-operative business.

Equity

Members are rewarded for their participation in the co-operative business fair distribution of income and power in society and its economic life should be based on labour not ownership of capital.

Solidarity

There is unity in co-operative business and unity resulting from common interest and feelings, mutuality, independence, community and love "all for each" and "each for all". Co-operative are based on their own strength in mutual self-help and that the co-operative has a collective responsibility for the well-being of its members.

Honesty

Co-operative of all types deals firstly among all classes of people dealing with the society. Form the earliest days of the Rochdale pioneers, comparative have emphasized the important of honest dealing in the market place, accurate measurement, reliability in quality and fair in the market place, accurate measurement, reliability in quality and fair prices. Members have insisted that their enterprise have honest dealing with them and in turn has led to honest dealing with non-members.

Openness

Co-operative are opposed to secretiveness. As public organization, they regularly reveal considerable information on their operation to their members, the public and government.

They are neither a secret society now a cults, therefore all its activities are open. And because of their value, it retains the confidence of their members.

Social Responsibility

This value articulates the co-operative interest in making contribution to a better society at large. While serving their members better, co-operative have interest of consumers at heart. Co-operative did everything possible and use part of their net surplus to address such problems.

Caring for others

Co-operatives are not selfish organization; they allocate part of their annual surplus to assist the handicapped and the needy in its community within their financial capacity.

Though, they are not charitable organizations, but they care with compassion for suffering humanity all over the world (Babangida and Usman, 2007).

The Co-operative Principles

Chukwu, (1990) co-operative principle go back to the Rochdale pioneers and their original co-operative attempt started in 1844. The International Co-operatives Alliance (I.C.A) originally regarded as the trustee for the Rochdale inheritance, accepted and regarded the Rochdale principles as being one and the same as the "co-operative principles which were to be adhered to by co-operatives world-wide.

Ogbu, (2007) opined that the 1966 I.C.A co-operatives principles passed through a very careful 'surgical operation by co-operative experts, academics thinkers and professional.

They revisited the think tank room of co-operatives and worked in the principles. They divided one of the principles into two, the principle of democracy emerged into the principle of democracy, and autonomy and independence. The principle of limited interest on capital if any and the disposal of net surplus were merged to form members' economic participation. A new principle, concern for community was added.

Babagida and Usman, (2007) described the co-operative principles as guidelines for how to put ideas and values into practice. Principles are incorporated into the organizational culture of the co-operative, they are the broad vision statement for co-operative and co-operators individually and collectively shared and actualized principles allow forms of organization.

Voluntary and Open Membership

Co-operatives is a voluntary organization, open to all persons able to use their services and willing to accept the responsibility of membership, without gender, social, racial, political or religious discrimination. There should be freedom of entry and exist in co-operations

Democratic Member Control

Co-operative are democratic organizations controlled by their members, who actively participate in setting their policies and making decisions, men and women serving as elected representatives are accountable to the membership. In primary co-operative members have equal voting rights (one member, one vote) and co-operative at other levels are organized in democratic manner

Member Economic Participation

Member contribute equitable to, and democratically control, the capital of the co-operative. They usually receive limited compensation, if any on capital subscribed as a condition of membership. Members allocate surpluses for any or all of the following purposes developing their co-operatives, benefitting members in proportion to their transactions with the co-operative and supporting other activities approved by membership

Autonomy and Independence

Co-operatives are autonomous, self-help organization controlled by their members. If they enter into agreements with other organization, including government or raise capital from external sources, they do so on terms that entire democratic control by their members and maintain their co-operation's autonomy

Education, Training and Information

Co-operative provides education and training for their members, elected representatives, managers and employee so they contribute effectively to the development of their co-operatives. They inform the general public, particularly, young people and opinion leaders about the nature of benefits of corporation

Co-operation among Co-operatives

Co-operative serves their members most effectively and strengthened the co-operative movement by working together through national, regional and international structures

Concern for the community

While focusing on member needs, co-operatives work for the sustainable development, if their communities through policies accepted by their members (I.C.A 1995).

2.3 Concept of co-operative Finance

Finance can be defined as the art and science of managing money. All individuals and organization earn or raise money, spend or invest money. Finance is concerned with the process, institutions, markets and instruments solved in the transfer of money among individuals, business and government. (Ebue (2011) citing Emekekwue, (2005).

Financing small scale producers who are members of co-operatives is as important as financing other small and medium scale entrepreneurs, this is true as,Chukwu, (1990) has opined that co-operatives like other business organization, cannot exist without capital, such business capital is usually capitalized into fixed capital and operating/working capital. Fixed capital finance includes items such land, building equipment and vehicles. As in readily noticeable such items remains in the service of the co-operative over a long period of time, the capital invested in them is tied up for long periods and can, under normal circumstances only be recognized over a number of years. Operating working capital finance in co-operative are items like paying for deliveries of produce by members in a marketing co-operative, paying for supplies from other sources in a consumer co-operative and payment of wages etc. This is capital finance consumed in the actual operation of the co-operative. It is usually recouped or set free within a comparatively short period of time.

Share capital is money contributed by members in order to make their co-operatives functional, usually in their acquisition of membership in some cases it stands as share capital finance contribution is a result of membership or as a pre-condition for membership by other countries.

Reserves are funds created and maintained within the co-operative business enterprise for financing co-operative societies, that is reasons of reserves as a form of security against unforeseen negative eventualities. They can be created for different specific aims and can statutory and voluntary reserves.

As denominated, statutory reserves derive their existence from the relevant laws (statutes) which require that they be created irrespective of whether members like it or not, while voluntary reserves, on the other hand, derive their existence from the free will of the members who maintain them as a result of their conviction as to advantages of necessity.

The need for borrowed capital finance arises in the co-operative as a result of the limitation on share-capital finance and reserve capital finance. Borrowed capital finance differs basically from owned capital finance in the co-operative become unlike owned capital, it is obtained from outside the co-operative complex that is from third parties.

The government as a source of loan capital finance to the co-operative is a very common feature in developing areas. This results from the generally low income levels as well as from the fact that the government is the major initiators of co-operatives in those areas. Capital finance from the government will usually come as loans proper or as outright grants.

2.4 Concept of Agricultural Credit

Credit, has been the main focus of many research workers in small scale finance. To some, credit is “all in all” for a farmer to produce (productive input) while others hold different opinions. Whichever way it is looked at, credit is an important instrument in the development of small scale farmers.

According to Ghorbani, (2005) credit is defined as the ability to obtain goods and services or money now in exchange for promise of payment in future. Ihimodo, (2005) looked at farmers agricultural credit as the process of obtaining control over the use of money, goods and services in the present in exchange for promise to pay at a future date for agricultural use.

There are three (3) major roles in the financial intermediation system, saving, intermediation and borrowing. Savings is the part of income reserved for future use, that is, future production and consumption. In the absence of savings, there cannot be a build-up of capital stock to increase production of goods and services. However, savings in a society does not become an investment in capital until it is borrowed and utilized.

Financial intermediaries are an integral part of the broader concept of rural financial markets. It embraces all rural institutions, which affect accumulation and use of savings, allocation of investment capital, the flow and holding of fund and indeed the integration of rural financial market with

national and international capital market. The intermediation process is an eversible flow of funds from the savers to users through intermediaries. The borrowers must of necessity provide evidence of a debt obligation to intermediaries for loan. In the same process, the intermediary provides saver a range of products and opportunities for further investment. It is obvious therefore, that financial intermediation has a key role in channeling funds to small scale member farmers.

African Development Bank Report,(2001) suggested that credit should be given to small scale farmers in kind rather than in cash, which according to them, will relieve farmers from diverting loans from the intended project.

Akigbande, etal(20013) in support of African development report, explained that such credits prompt repayment in the form of deduction from later sales.

In a contrary opinion, African Farmers observed that giving credits to small scale farmers in kind will hinder them from using the money from the inputs needed which cannot be supplied by the members of the farm family. That though, credit in kind is considered a safer risk for lenders, it is not always the best for the small scale member farmers. Often, a farmer's greatest need is not for seed or for pesticide but for a vehicle to transport produce, money to run the business. In such cases, farmers will borrow from local money

lenders despite the high interest rate in order to have the flexibility of a credit in cash.

Adomola et al, (2001) summarized credit when he wrote that: “credit may serve as a component to other government activity in facilitating investment or a substitute for it”. It may be tied to the provision of specific service and supervision or it may simply funnel loanable funds to promote capital formation in the agricultural sector. It may fulfill a simple need of working capital to cover the period between planting and harvesting or it may represent long term capital formation in the provision of building equipment’s and establishment of tree crops. In all of its varied form and use, credit is essential to the working and growth of an economic sector involving substantial private enterprise and the development of effective institutions for mobilizing and allocating loanable funds as crucial element in promoting economic growth.

Ghorbani et al, (2005) noted that “at a certain stage of agricultural development, agricultural credit thus clearly becomes a strong force for further improvement when a man with energy and initiative who lacks only the resources for more and efficient production is enabled by the use of credit to eliminate the block on his path to improvement”

2.6 Role of Investment and Credit Societies in the Patterns of Business of Investment and Credit Societies

The pattern of business activities of Investment and Credit Societies are numerous and are carefully designed to cater for to the welfare of members. For instance, Onuoha (2016) observes that cooperative method provides the technique for the elevation of the social and economic condition of the masses and their direct participation in those functions of the economy that impinge on their lives. Cooperatives enterprises liberate people from the state of inferiority economic dependence and insecurity.

Other business activities include investing in profitable businesses that can bring returns to members, lending to members on low interest rates e.t.c. The major advantage of investment and credit cooperative enterprise according to Olesin (2017) is that it fosters a saving habit in the members, since its funds are pooled from deduction from salaries or regular contribution in case of self employed. Cooperative enterprise allows what an individual cannot do on his own, to be done as a group. Cooperative enterprises have contributed to wealth creation and reduction in poverty. Cooperative enterprises in Nigeria have for decades, resolved some of the financial challenges faced by workers or low income business owners by suing the power of members to provide individual needs from resources

pooled by collective efforts.

2.7 The Types of Assistance Rendered to Members by Investment and Credit Societies

Cooperative is all about providing alternative means of income for its members. It renders different types of assistance to its members, for example Buden (2004) confirms that, cooperative enterprise (credit and investment) grant loans to members for productive purposes and emergency cases, encourage and promote the habit of savings among members by accepting savings and deposit from them. The author maintained that members acquire/own transport outfit at ease and also to grant long term loans to members to own personal houses and transportation.

Similarly, Lawal (2006) also believes that cooperative enterprise is a household name and need not much propaganda as its economic importance. He emphasized that cooperative enterprises gives opportunities for members to build up capital to finance their business through gradual but regular savings of money. Furthermore, cooperative promote and empower workers. Many civil servants and other workers own houses, cars and other properties by virtue of being members of one cooperative society or the other.

Security is one of the benefits or assistance rendered by cooperative enterprise. This security takes several forms, including the physical security of individuals and communities in general. This type of cooperative (credit and investment) reduces crime rate, in addition it is acknowledged that formal banking contracts the negative effects of money hoarding. Another important aspect of security is the assurance that savings are built up without the obligation of distributing them to the direct or extended family. The financial cooperative plays the role of an outsider to protect the savings. Security also is provided since savings can stabilize income during periods of climatic condition, economic or health difficulties.

2.8 The Meaning of Investment and Credit Societies

According to Olesin (2007), Investment and Credit Societies is a type of cooperative where what everybody saves is pooled together and members can take loans either to buy household items, vehicles, lands, houses or do business, but there is a bond that the borrowers must benefit from the pool. By this, credit and investment cooperative therefore have contributed to wealth creation and poverty reduction. Investment and credit Society is often regarded as one of the micro finance institutions (MFI) that promotes entrepreneurship and industrialization

desirable for economic development. This type of cooperative provides members the opportunity to conveniently save their money and collect loans at cheaper interest rates without unnecessary collaterals and complex bureaucratic process as seen in the case of commercial banks where the borrower is colonized and turned to a slave based on terms of repayment. Germany used this type of cooperative to revive their economy (Amahalu 2006 in Ogbu 2009).

Investment and Credit Societies aim at establishing a sound system of credit to cater to productive and provident needs of the members cooperators (Buden 2002). Promotion of thrift is the main feature of the investment and credit cooperative movement. People regardless of how low their income are capable of settling apart in savings small amount of their meager earnings, when they are given incentive to save, and provided with a safe and convenient savings device and educated on the advantage of savings.

According to Buden (2002), Investment and Credit Society is a safe and profitable saving institution. It encourages savings by making people realize the economic and social benefit of thrift and the advantage excessive and unproductive. Financial cooperative enables members to meet their needs for financial services, such as savings and loan at low

cost and with easy access through pooling of limited capital. The members' mandatory purchase of ownership shares is the final base to enable the cooperative extends credit to members (Fonteyne, 2007). This type of cooperative is often known as credit unions, savings and loan cooperative or cooperative banks. Membership is typically based on a common bond that helps to establish trust between net savers and borrowers. Financial cooperative operates a different set of values and objectives than invest owned banks and are based on a model driven not only profit motives but also by social objective that focus on service and responsiveness of members needs.

2.9 Investment and Credit Societies and Provision of Alternative Means of Income on Individual Member Businesses

There is hardly a country in the world in which the cooperative organizations do not exist to perform both social and economic roles. The important roles a cooperative play in an economy cannot be overemphasized. According to Akinwunmi (2006) those who introduced formal cooperatives realized that individual farmers were too small in terms, of farm holdings total production and volume supplied. Thus they encouraged cooperative which, facilitated quick transfers of technical knowledge about the major commodities to groups of farmers. They

demonstrated the efficacy of the cooperative approach to problem solution. They help to nurture small groups with little financial means into larger groups by encouraging the creation of unions out of the societies.

Olesin (2007) opines that a well-run investment and credit Society provides a pool of funds from which individual members take loans to meet respective needs. Many cooperative enterprises make investments in business ventures, stocks or real property which generate returns that could be share as dividends to members periodically depending on any surplus that accrues to the fund. Cooperative enterprises allow what an individual cannot do on his own to be done as a group. Cooperative methods are the most practical to adopt to meet the needs of the mass of the people in all spheres of development.

Furthermore, Asaolu (2004) argues that investment and credit Societies are potentially an important instrument of social transformation especially the rural areas cooperative methods have proved to be useful in achieving increased domestic production of food, industrial raw materials, manufactured products and equitable distribution of farm inputs, farm products and other commodities.

2.10 Contributions of Thrift and credit Cooperative Society and Socio-Economic Development of its Members during covid-19

According to Ilori (2017) establishment of this society has a lot of contribution both to individual and the society as a whole. This is the reason why people from all walks of life are becoming members, and many more new societies are springing up in our towns/villages. The following are the contribution of the thrift and credit cooperative society for socio-economic development of its members.

Easy Borrowing System: The first contribution or benefit obtainable from any thrift and credit cooperative society is that, it is easiest place for people to borrow money. Cooperative society help a lot, most especially during the covid-19 pandemic, cooperative have helped its members to obtain food stuff and other necessity at a cheaper rate and better price and also provide loan to its members. This is why members always make sure that they save an ahead against the time that would need loans to meet emergency. For example, some parent had to obtain cooperative loan to paid their children school fees, usually the planting season which they would influence in the harvest time since the access one has in the society is paid of the collaterals, the members find it very easy to obtain loans with minimum interest for specified period.

Provision for Emergency Spending: Money needed in emergency could be provided through trifling into the cooperative thrift and credit society. The covid-19 is a good example of emergency period. We spend money every day hence; a means of constant provision is needed. A business man or trader needs money to maintain his farm and family, while student need money to buy school materials and to feed, failure to get money to buy what he need at the right time can cause a setback. This is why cooperative thrift and credit society always uses the slogan “Let save for the rainy day”.

It is a Community Bank: The thrift and credit cooperative society is more or less a community bank because it affords everybody the opportunity to save. The contribution of thrift and credit cooperative society cannot be over emphasized, considering its broad nature. Thrift and credit society is a group of people whose purpose is to help themselves and as many other people as possible. The motto is united we stand, divided we fall. The society believes that man needs another man to be a man himself.

2.11 Activities of Investment and Credit Cooperative Societies.

The primary aims and objectives of cooperative institution is the improvement of its members economic problems but though the means which it employ and the qualities which it demands of members and develop

in them, it achieve higher purpose, the goals of thrift and investment cooperative society is to mate men of sense of both individual and joint responsibility so that they may rise individual to a full social life.

This means that the aims and objectives of thrift and credit cooperative enterprise should be set out not only to achieve the income interest of their members but equally important to save as training ground where members learn to work together.

Opeyemi in his book training and extension in the cooperative movement, laid law (2014) listed five major aims and objective of thrift and credit cooperative enterprise which clearly distinguish them from other business.

- They aim to provide goods and services at cost.
- They aim to eliminate the unnecessary profits or middlemen in trade and commerce.
- They seek to prevent the exploitation of weaker members of the society.
- They aim to promote mutual understanding and education among their members and in the long run among them members or people in general.
- They aim to protect the right of the members both as producers and consumers.

From the objectives of cooperatives one can realize that cooperatives are aimed to promote the progress and welfare of humanity. The different approaches to business by cooperative system show their moral and social values which makes human life above that of merely material gain.

2.12 The Economic Investment Boosting Tools in Cooperative Society

The thrift and credit cooperative society is a scheme or plans that enable the members to save and invest this have made it easier for most cooperative members easier most especially during the covid-19 pandemic. Ordinarily, the average Nigeria worker is finding it very difficult, if not impossible to save month salary in a year. But the cooperative thrift and credit could provide him with an easy and convenient way to save and a chapter source to borrow.

One could say that the benefits of thrift and credit cooperative society to members are many. They provide the following services to members.

- Encourage and promote the habit of savings through savings and deposits.
- Grand loans to members for productive purposes and emergency situations.

- It saves the members from financial problems thereby making them have time to carry out their assignment with a sense of duty.
- It helps the members to be business oriented and develop the economy thereby empowering the society economically.
- It provides the society with additional funds to embark on other projects.
- It protects common man from usurious money lenders.
- It help improves or enhance mutual love and unity in a community.
- For help to solve the problems unequal distribution of income.
- Easy access to credit.
- Offer social responsibilities, through:
 - a. Retirement: On retirement, a member is sending off with a sum of 300% of his/her savings.
 - b. Death benefit: On a member's death, the society shall condole the family of the deceased member with N500, 00 each, on behalf of the members.

2.13 The Factors Militating against the Operation of Investment and Credit Societies

Much as desirable as cooperative societies are in the development of a nation, there are problems and constraints that have militated against its effective performance of its roles in nation building. This has made for

poor performance declining and death of some cooperatives. The other critical element according to Akinwunmi (2006) is leadership. If there is purposeful leadership, if leaders are transparent, dedicated and truly serving the cooperative society will succeed. A true leader does not cut corner does not inflate contracts so as to receive kick backs does not have favorites among members and does not mismanage the resources.

Furthermore, Asaolu (2004) quoted the Mass Mobilization for Social and Economic Recovery (MAMSER) in its studies of 1988 as identifying the problems facing cooperative movement in Nigeria to be generally due to political and socio-economic factors. The majority of these problems are highlighted below:

- i. Lack of adequate working capital.
- ii. Lack of modern business techniques to compete with modern business.
- iii. Poor record keeping and shortage of supervisory staff.
- iv. Proliferation of weak cooperatives societies which results from lack of coordination of activities.
- v. Inconsistency on the part of government in supervision and channeling funds to cooperative societies.
- vi. Widespread illiteracy and mass ignorance of the societies.

- vii. Government interference and manipulation of cooperative programmes of government policies.
- viii. Inability of members to pay back their loans at the right time also contribute for the reduction of the society's working capital.
- ix. Poor management of cooperative enterprise.
- x. Dishonesty among the leadership.
- xi. Successive governments in Nigeria do not give concession to specialized banks which will enable them to extend adequate funds to cooperative societies.
- xii. Apathy among members and low level of active participation

In almost all parts of the world, cooperative face one or more of the following crisis, capital, crisis credibility and crisis of management (Taini, 1997). Chenery (1995), identifies challenges facing cooperative societies, which includes credit and investment society.

Groves (1985) on the other hand, posits that one of the major problems of cooperative is how to keep balance in the two parts of cooperative business efficiency and manager must serve two masters, the imperatives of good business practice and the social purpose of a community of people.

Another challenge facing cooperative is adaptation, no business in a national economic system can be completely independent and self-sufficient but should operate in the dependency with other business in order to flourish or grow.

According to Akinwunmi (2015), there are many other problems and solution to the problems of thrift and credit cooperative society if implemented properly, some of this problems and solution are:

i. Overdue Loan: The commonest enemy of thrift and credit cooperative society is overdue loans, many societies have grappled with this problem and overcome it but a number have gone under because they could not recover several debts.

ii. Dubious Committee Members and Defrauding Secretaries

Another problem facing thrift and credit societies is the election of dubious characters to be committee members. Members should always follow true election guidelines during annual general meeting. Many selfish and unfaithful committee members destabilize their societies, because they were wrongly elected. The committee members should be elected by the general meeting; hence they are accountable to the whole house. Many secretaries have used their pens to forge the records of the society. Many of them defraud their

societies and abscond before their evil works are detected and exposed by government cooperative officials. Therefore, it is always safer to employed members relations as book-keepers because if such people misbehave they cannot run away and if they run away, they are traceable.

- iii. **Failure to Put Cooperative Education into Practices:** Failure on the part of members to practice cooperative education being given by government officials causes serious problem among co-credit society fall instruction and admonitions are adhered to the societies would be intact always.

Wolves among the Sheep: Many people who are allowed to join thrift and credit societies form far distances are found to be frauds. Such people took time to contribute hearing in the society obtained twice or thrice what they contributed as loan only to abscond. Thus before a new member is admitted the committee should ensure that he lives or works within the area of operation of the society. If not be should not be admitted.

Partiality and Nepotism: Many thrift and credit societies are not making progress because their committees are partial. The president

of every thrift and credit society must give equal right and justice to his members' nepotism should not be allowed. One person one vote shows that we are equal in the cooperative society. Therefore, let the members be threatened equally so that they would be encouraged to perform well.

2.14 Summary of the Literature Review

From the related literature reviewed in this chapter, it is obvious that investment and credit cooperatives play some vital roles in ensuring the economic development of members such as loans without collateral to members, protection from money lenders and members investing in the society, and so on. The society imposes saving habit in members. contribute for poverty reduction, members own transport outfit at ease, promoting concern for community e.g fixing the school toilet and others, raising the level of average income and incentive, access to long-term loans among other. However, a lot of problems ranging from poor leadership, lack of capital, inability to pay back their loans and poor attendance of meeting by members and so on hindered the society in effectively providing alternative means of income to members' social-economic problem.

CHAPTER THREE

METHODOLOGY

3.1 Introduction

This chapter discusses the methodology involved in conducting the research on Analyses the Loan varieties Accessibility and their impact on Members Individual Small Scale Businesses, with reference to Gbagi investment and credit cooperative society societies limited Goni gora and Adara credit and loan co-operative society Gonin gora. The chapter discusses the design and procedure for the study, the population and the sample used. Also discussed in this chapter include the research instrument used, statistical analysis as well as limitations of the study.

3.2 Research Design

A descriptive survey design was used for this study since the approach allows the study of large and small population which enables the researcher to discover relative incidence and distribution on the characteristics of the population. This method was adopted because it enabled the researcher to use a cross-section of the population for the study after which the result was generalized to the entire population. Besides, it facilitated the researcher to the Loan Type Accessibility and impact on members of investment and

credit cooperative society limited.

3.3 Population of the Study

The population for this study consists of all the members of Gbagi investment and credit cooperative Society limited with population of 82 and Adara credit and loan co-operative society also in Gonin gora with population of 74 making a total population of 156 members (Membership File, 2022). The rationale behind restricting the population to the members is because the members are directly involved in the activities of the society and know the Loan varieties Accessibility and impact on individual members businesses.

3.4 Sample and Sampling Procedure

For the purpose of this study, the researcher used 113 as sample size out of 156 members of Gabgi Investment and credit Cooperative Society Limited and Adara credit and loan co-operative society all in Gonin gora, chikun Local Government Area of Kaduna State. To determine the sample size for the study, Krejcie and Morgan (1970) sample size table cited in Ogbu (2012) was used. Simple random sampling was used to afford the participants equal opportunity of being selected (Adeyeye 2016). The society's register was used to select only the odd numbers. This was done gradually until they require number of 113 was obtained. The process

therefore ensured adequate randomization in the selection which was necessary in conducting the research (Ogbu, 2012).

3.5 Research Instrument

The instrument used for this was questionnaire. The questionnaire was developed by the researcher. It was adopted as the instrument for data collection because the members of the cooperative society in question are literate. Besides, the questionnaire method facilitates easy coverage and is more appropriate in survey studies of this nature (Ogbu 2012). A close ended questionnaire was designed on 5-point Likert scale of strongly agree, agreed, neutral, disagree and strongly disagree. The design of the questionnaire was clustered around five sections. Section A consist of items related to respondents Bio-data while B to E contains information dealing with the subject matter of the investigation.

3.5.1 Validity

According to Ogbu (2012), validation by others is an effective method for content validation of research investment. Subsequently, the questionnaire was validated by lecturers in the Department of Cooperative Economics and Management, Kaduna Polytechnic including the supervisor of this project to judge the appropriateness, comprehensiveness and clarity of items in

the questionnaire. Their contributions in form of suggestions and constructive criticisms were used in the final draft.

3.5.2 Reliability

To obtain reliability for factual, in Adetoro (2016) suggests that internal checks in form of logical tests in the questionnaire should be included. In this regard, a number of questions were built in the questionnaire to give a clue to the respondents' consistency of responses.

A pilot study was also carried out with 10 respondents in Yelwa investment and credit cooperative society limited Television, Kaduna to pre-test the efficiency of the questionnaire.

3.6 Procedure for the Administration of the Instrument

The instrument was aimed at gathering information on the Analyses of Loan Type Accessibility and impact on members of investment and credit cooperative society. The instrument was carefully designed in simple language to help the respondents to easily interpret and fill appropriately.

A letter was prepared to accompany the instrument and addressed to the members of Gbagi investment and credit cooperative Society Limited and Adara credit loan co-operative society. This was meant to introduce the

researcher to the respondents and to state the purpose and significance of the study. Beside, the letter earned the cooperation of the members of the cooperative society to fill the questionnaire.

In the administration of the instrument, the researcher, with the help of the Secretary of the cooperative society and the Vice President administered and collect the filled out questionnaire. The respondents were given five days to fill out the questionnaire. The five days enable the respondents to reflect on the instrument and fill them properly.

3.7 Method of Data Presentation and Statistical Analysis

Available data was presented using tables simply constructed in rows and columns. Frequencies and percentage was also use to analyze bio-data of respondent while mean score will be use to analyze responses of respondent on the research questions.

3.8 Decision Rule

Any mean from 3.00 and above is agree. Any mean from 2.99 and below is disagree.

3.9 Limitations of the Study

This study Analyses the Loan Type Accessibility and their impact on

Members Individual Small Scale Businesses, with reference to Gbagi investment and credit cooperative society society limited Goni gora and Adara credit and loan co-operative society Gon gora, Kaduna. This study is limited to members of Gbagi investment and credit cooperative society limited and Adara credit and and loan co-operative society limited all in Chikun local Government Area of Kaduna State. For the fact that the study was carried out in two credit cooperative societies limited, it will rather be dangerous to make facile generalizations from the situation of the cooperative society to other cooperative societies. For the fact that a survey method was used as the research design as well as questionnaire as research instrument, it is not really certain if the same results could be achieved if other design like ex-post facto design, interview schedule respectively can yield the same results.

Another limitation is that the respondents could have either over exaggerated or understated their responses while scoring the items in the questionnaire. Also the nonchalant attitude of some of the respondents could affect the validity of their responses to the questionnaire. Another Limitation of this study is obtaining the appropriate sample size and the reliability of measuring instruments. These limitations should be taken cognizance of by other researchers conducting similar studies.

CHAPTER FOUR

DATA PRESENTATION AND STATISTICAL ANALYSIS

4.1 Introduction

This chapter presents the data on the Analyses of Loan Varieties Accessibility and their impact on members individual small scale businesses. The data generated is presented using tables. The respondents involved in the study are presented in the tables of frequencies and percentages. A total of 113 closed ended questionnaires were administered and all return. The responses to the individual items in the questionnaire were scored in means and are presented along the research questions in the study. In the course of scoring the items, the magnitude of the respondents' responses to the options in the five-point Likert scale was used to determine the direction of the respondents' opinion.

4.2 Analyses based on the Respondents Bio-data

Table 4.1: Sex Distribution of Respondents

Sex	Frequency	Percentage
Male	85	72.2
Female	28	27.8
Total	113	100

Source: Field work, (2022)

Table 4.1 presents the data on the sex distribution of the respondents used for the study. In the table, the male participants were 85 representing (72.2%) were male while 25 representing (27.8%) were female..

Table 4.2 Age Distribution of the Respondents

Sex	Frequency	Percentage
25-34	25	27.8
35-44	30	33.3
45 and above	58	38.9
Total	113	100

Source: Field work (2022)

Table 4.2 shows the age distribution of the respondents used for the study. The data shows that 25 (27.8%) of the respondents have the age range of 25-34, 30 (33.3%) of the respondents were between the age of 35-44 and 58

(38.9%) of the respondents fall within the age of 45 and above. The data shows that the respondents are mature and thus are reliable and can answer the questions reliably.

Table 4.3: Respondent Distribution on Marital Status

Marital status	Frequency	Percentage (%)
Single	49	43.36
Married	57	50.44
Widow	7	6.19
Total	113	100

Source: Field work (2022)

Table 4.3 above shows the marital status of the respondents used for the study. From the table, 49 representing (43.36%) are single and 57 respondents representing (50.44%) were married while 7 respondents representing (6.19%) were widows.

Table 4. 4: Respondent Occupation

Occupation	Frequency	Percentage (%)
Farming	28	24.77
Business	52	46.01
Civil servant	33	29.20
Total	113	100

Source: Field work (2022)

Table 4.4 above shows the occupation of respondents used for the study.

From the table, 28 respondent representing (24.77%) are farmers and 52 respondents representing (46.01%) are business owners while 33 respondents representing (29.20%) are civil servant. This brings the total number of respondents to 113 (100%).

4. 5: Educational Qualification of Respondent

Qualification	Frequency	Percentage (%)
Primary	15	13.27
Secondary	26	23.00
Tertiary	72	68.14
Total	113	100

Source: Field work (2022)

Table 4.5 above shows the educational qualification of respondent used for the study. From the table, 15 respondents representing (13.27%) hold first living certificate, 26 respondents representing (23.00%) are secondary school certificate holders while also 49 respondents representing (68.14%) are either Bsc or Higher National Diploma Holders, this indicate that the respondent are all literate and will respond very well to the questionnaire.

4.3 Answering the Research Questions

Research Question 1: What are the role of investment and credit Societies in the provision of alternative means of income to individual members small scale businesses?

Table 4.6: Role of Investment and Credit Societies in the Provision of Alternative Means of Income to Individual Members Small Scales Businesses

S/N	Statement	SA	A	U	D	SD	X	Remarks
2	I can easily borrow from the society without collateral.	60	38	-	10	5	4.23	Agree
3	I have easy access to funds from my society in case of emergency.	43	35	-	25	10	3.64	Agree
4	I am protected from the services of money lenders in credit investment society.	53	30	-	10	15	3.9	Agree
5	With my membership into the society purchases, I own personal property.	35	23	-	30	25	3.05	Agree
6	I have invested money in my society.	38	30	-	25	20	3.32	Agree

Source: Field work (2022)

Grand mean = 3.63

Keys: SA = Strongly Agree, U = Undecided, D = Disagree, SD = Strongly Disagree.

The data on table 4.6 shows the respondents responses as regards to the role of investment and credit Societies in the provision of alternative means of income to members. Item 2 shows that a larger number of the respondents (N= 113; X = 4.23) agree that they can easily borrow loan from the society

without collaterals. Item 3 shows that a larger number of the respondent (N = 113; X = 3.64) agrees that they have access to funds from the society in case of emergency. Item 4, shows that a larger number of the respondent (N=113, X = 3.90) agree that they are protected from the services of money lenders in credit and investment society. In item 5, .larger number of the respondents (N = 113; X = 3.05) agree that with their membership into the society the purchase, owned property. Finally, a larger number of respondents (N= 113; X = 3.32) agree that they can invest in the society because of their present economic situation.

Research Question 2: What are the pattern of business activities of investment and credit Societies towards the welfare of members?

Table 4.7: Pattern of Business Activities of Investment and Credit Societies towards the Welfare of Members

S/N	Statement	SA	A	U	D	SD	X	Remarks
7	The society liberate me from the state of interiority, economic dependence and insecurity	57	43	-	6	7	4.19	Agree
8	The society fosters a saving habit in me.	53	40	3	7	10	4.03	Agree
9	The society contributes to wealth creation and poverty reduction.	50	43	-	10	10	4.00	Agree
10	My society provide techniques for alternative means of income for members	30s	28	-	27	27	3.05	Agree
11	As a worker, the society resolved my financial challenges.	44	32	-	17	20	3.52	Agree

Source: Field work (2022)

Grand mean = 3.76

Keys: SA = Strongly Agree, U = Undecided, D = Disagree, SD = Strongly, Disagree.

The data on table 4.7 shows the respondents responses as regards to the pattern of business activities of investment and credit Societies towards

the welfare of members. In Item 7, results indicate that a larger number of respondents (N= 113; X = 4.19) agree that the society liberate them from the state of inferiority, economic dependency and insecurity. In item 8, a larger number of the respondents (N = 113; X = 4.03) agree that the society foist a saving habit in them. In item 9, a larger number of respondents (N = 113, X = 4.0) agree that the society contributes to wealth creation and poverty alleviation. In item 10, a larger number of respondent (N = 113 X = 3.05) agree that their society provides techniques for elevation of social and economic condition for members. Item 11, show a larger number of respondents (N = 113 X = 3.52) agree that as a worker their society resolve their financial challenges.

Research Question 3: What are the types of alternative means of income rendered to members individual small scale businesses by investment and Credit Societies?

**Table 4.8: Types of Alternative Means of Income Rendered to Members
Individual Small Scale Businesses by Investment and Credit Societies**

S/N	Statement	SA	A	U	D	SD	X	Remarks
12	My society provides me with short-term loans.	50	45	3	10	2	3.83	Agree
13	My society provides me with long-term loans.	40	40	-	20	10	3.36	Agree
14	My society gives me credit purchase.	55	38	-	8	9	4.10	Agree
15	My society grants me IOU when I am in need.	54	42	-	6	7	4.16	Agree
16	I sell my products through my cooperative society.	41	32	-	17	20	3.52	Agree
17	I receive dividend every year which increases my income.	60	29	-	7	14	4.04	Agree

Source: Field work (2022)

Grand mean = 3.50

Keys: SA = Strongly Agree, U = Undecided, D = Disagree, SD = Strongly Disagree.

Table 4.8 displays the data on the types of alternative means of income rendered to members by investment and credit societies. Item 12 shows that a large number of respondents (N= 113; X = 3.83) agree that their society provides them with short-term loans. Similarly in item 13, a larger number of respondents (N=113; X= 2.3) agree that their society provides them

with long-term loans, while in item 14, a larger number of respondent (N = 113; X = 4.10) agree that their society gives them credit purchase. In item 15, a larger number of respondents, agree that their society grants them IOU when I am in need. Similarly in item 16, a larger number of respondents (N = 113; X = 3.52) agree that they sell their products through their cooperative society. Finally, in item 17, a larger number of respondents (N = 113; X = 4.04) agree that they receive dividend every year which increases their income.

Research Question 4: What are the factors that militate against investment and credit society in providing credit to individual members small scale businesses?

Table 4.9: Factors that Militate Against Investment and Credit Societies in Providing Credit to Individual Members Small Scale Businesses

S/N	Statements	SA	A	U	D	SD	X	Remarks
18	My society is confronted with Leadership.	17	13	-	20	60	2.33	Disagree
19	I believe that my society Finance for expansion.	39	35	10	10	19	3.54	Agree
20	Members do not pay their loans Time.	58	40	-	5	10	4.14	Agree
21	I am of the opinion that my Keeps bad records.	13	19	10	36	35	2.39	Disagree
22	Members do not attend meeting my society regularly.	49	47	-	7	10	4.02	Agree

Source: Field work (2022)

Grand mean X = 3.79

Keys: SA = Strongly Agree, U = Undecided, D = Disagree, SD = Strongly, Disagree.

The data on table 4.9 shows the respondents' responses as regards the factors militating against the effectiveness of credit and investment cooperative society. Item 18, the result indicates that a larger number of

respondents (N = 113; X = 3.70) agree that the society is confronted with poor leadership. In item 19, a larger number of respondents (N = 113; X = 3.54) agree that the society lack finance for expansion. Item 20, a larger number of respondents (N = 113; X = 4,14) agrees that their members do not pay their loans on time. While, in item 21, a larger number of respondents (N = 113; X = 2.39) disagree that they are of the opinion that their society keeps bad records. Finally, in item 22, a larger number of respondents (N = 113; X = 4.02) agrees that their members do not attend meeting of the society regularly.

4.4 Summary of the Findings

In view of the responses of the respondents to the research questions as contained in the tables, the following are the findings of the study.

1. Investment and Credit Cooperative Societies serve as an indispensable tool for socio-economic transformation and indeed general improvement in the welfare of individual members which promotes their businesses and economic welfare.
2. The pattern of business activities of investment and credit Societies towards the welfare of members are numerous and are carefully

designed to cater for the provision of alternative means of income for members.

3. Members of investment and credit society have been alternatively assisted by the activities rendered by investment and credit cooperative societies. For instance, access to long term loans, build up capital to finance their projects etc. This has contributed immensely to their wellbeing.
4. Problems factors that militate against investment and credit Societies in providing for members include, member's apathy, lack of finance for expansion, inability of members to pay their loans on time and so on. This equally destabilized the effectiveness of the society under study.

4.5 Discussion of Findings

This study Analyses the Loan Varieties Accessibility and their impact on members Individual Small Scale Businesses. This result is based on the opinions of members of the cooperative society understudy. The result shows that credit and investment cooperative society played vital roles in the provision of alternative means of income for members to improve in their individual businesses. This result is in agreement with the views of

Akinwunmi (2016) who mentioned that cooperatives help to nurture small groups with little financial means into larger groups by encouraging the creation of unions out of the society. He further maintained that members demonstrate the efficiency of cooperative approach in problem solution.

The pattern of business activities of investment and credit society towards the welfare of members are numerous and are carefully designed to cater for the provision of alternative means of income for members. This result corroborate the opinion of Olesin, (2017) who mentioned that many cooperative enterprises make investment in business ventures stock or real property which generates returns that could be shared as dividends to members periodically depending on any surplus that accrues there from. In a related development, Onuoha (2016) observes that cooperative movement provides the techniques for the elevation of the social and economic condition of the masses and their direct participation in those functions of the economy that impinge on their lives. Cooperative enterprise liberates people from the state of inferiority, economic dependence and insecurity.

The fact that cooperative grant loans and foster savings habit among salaried workers confirmed the opinion of Buden (2014) who mentioned that, cooperative enterprise (credit and investment) grant loans to members for productive purposes and emergency cases, encourages and promote the

habit of savings for the members by accepting savings and deposit from them.

Finally, the fact that different problems factors that militate against investment and credit Societies in providing for members include, member's apathy, lack of finance for expansion, inability of members to pay their loans on time and so on, This is in agreement with the findings of Akinwunmi, (2006) whom argue vehemently that credit and investment cooperative societies could have achieved more for members if not for the bottlenecks they encounter in the course of their operations.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter presents the summary of this research report, conclusion drawn from the findings of the study, and recommendations that could lead to the increased in Loan Type Accessibility and their impact on Individual members Small Scale Businesses.

5.2 Summary

The study Examine the Analyses of Loan Varieties Accessibility and their impact on members Individual Small Scale Businesses with references to Gbagi Investment and Credit Co-operative Society Limited and Adara Credit and Loan Co-operative Society all at Gonin gora Chikun LGA of Kaduna State. The research questions that guided the study were: what are the role of investment and credit Societies in the provision of alternative means of income to individual members small scale business? What are the pattern of business activities of investment and credit Societies towards the welfare of members? What are the types of alternative means of income rendered to individual members small scale business? What are the factors that militate against investment and credit Societies in

providing individual members small scale businesses credit?

A survey method was used for this study. The population consisted of all the male and female members of the two co-operative societies. Out of a total 156 members, a sample size of 113 were served questionnaire. The questionnaire was a closed-ended questionnaire of 5 point likert scale which was developed by the researcher. Simple percentages were used on the respondents' bio-data while mean was used to analyze the data based on research questions. Research results show that investment and credit cooperative society serve as an indispensable tool for socio-economic transformation and indeed general improvement in the welfare of members and their small scale businesses which promotes their economic welfare. The pattern of business activities of investment and credit cooperative society are numerous and are carefully designed to cater for the provision of alternative means of income for members. Members of investment and credit society have been alternatively assisted by the activities rendered by investment and credit cooperative societies. For instance, access to long term loans, build up capital to finance their projects etc. This has contributed immensely to their wellbeing. Problems factors that militate against investment and credit Societies in providing for members include, member's apathy, lack of finance for expansion,

inability of members to pay their loans on time and so on. It was based on this therefore that, recommendations were made.

5.3 Conclusion

In view of the research findings, it is concluded that, investment and Credit cooperative societies is well conducted, contribute tremendously to living standard of members and their businesses. Besides, effective management is an integral part towards organization, especially investment and Credit Society which is built on trust and mutual agreement of members.

5.4 Recommendations

The following recommendations are made based on the research findings so as to facilitate the Loan Type Accessibility and impact on members Individual Small Scale Businesses.

1. That is, loan should be adapted to the peculiar needs of the cooperators and repayment condition should be flexible enough to allow for variation and uncertainties in cooperative income.
2. Cooperative society leaders should organize seminar for cooperators on how to use the loan in other to yield returns in the investment at end of the business.

3. Loan application cost should be made to be free since it was been indentified to be reduce repayment ability.
4. The members should be encouraged to move into more profitable business so as to settle where they can have access to increase business activities. The invariably will increase their performance, income and consequently loan repayment.
5. Cooperative societies should manage their societies effectively. This can be done by strictly adhering to the stipulation of the bye-laws as the objectives of cooperative society. More so management committee should be made up of responsible individuals who will see social responsibility of the cooperative as upper most in their means.
6. Cooperative should be properly funded to enable them carry out both social and economic responsibilities. For this to be effective therefore, they should coordinate and control all viable sources of funds to cooperatives. Without such funds it will be difficult for the cooperative to carry out most especially their social responsibility.
7. Dishonest leadership should be discouraged in cooperative businesses thereby creating an enabling environment to realize the proposed objectives. This should be done by putting in place, adequate checks and balances in the performances of such members.

There excesses should properly control members who show an act of dishonest should be properly sectioned and penalize in accordance with the stipulations of the cooperative law.

8. As contain in the principles of cooperative, the principle of education training and information should adhered to strictly this enable members understand their rights and duties, the above mentioned should be provided in the area of social responsibilities so that all of them will be aware of their obligations as members of the cooperatives.

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APPENDIX I

Department of Coop. Econs. & Mgt,
College of Business & Mgt. Studies,
Kaduna Polytechnic,
Kaduna.
20th, March 2022.

Dear Respondents,

ANALYSIS OF LOAN VARIETIES ACCESSIBILITY AND THEIR IMPACT ON INDIVIDUAL MEMBERS SMALL SCALE BUSINESSES

I am a final year student of the above named institution, currently conducting a research on the above topic. In this regard, you have been duly selected as a respondent. This research is part of the requirement for the Award of Higher National Diploma (HND) in Cooperative Economics and Management. Your response to the attached questions can make the research a tremendous success.

I wish to appeal to you to assist this study by kindly sparing a few minutes to complete this questionnaire. You are not required to disclose your identity. Be rest assured that your responses will be treated in strict confidence and used for the stated academic purpose only.

Thanks.

Yours faithfully,

IBRAHIM TAGWAI

The Researcher

APPENDIX II

QUESTIONNAIRE

INSTRUCTION: Please tick [] the appropriate choice.

SECTION A: Personal Data

1. Age:

(a) 26-35 []

(b) 36-45 []

(c) 46 and above []

2. Sex:

(a) Male []

(b) Female []

SECTION B:

WHAT ARE THE ROLE OF INVESTMENT AND CREDIT SOCIETIES IN THE PROVISION OF ALTERNATIVE MEANS OF INCOME TO INDIVIDUAL MEMBERS SMALL SCALES BUSINESSES?

S/N	Variable	SA	A	D	SD
1	I can easily borrow from the society without collateral.				
2	I have easy access to funds from my society in case of emergency.				
3	I am protected from the services of money lenders in credit investment society.				
4	With my membership into the society purchases, I own personal property.				
5	I have invested money in my society.				

SECTION C

WHAT ARE THE PATTERN OF BUSINESS ACTIVITIES OF INVESTMENT AND CREDIT SOCIETIES TOWARDS THE WELFARE OF MEMBERS

S/N	Variable	SA	A	D	SD
6	The society liberate me from the state of interiority, economic dependence and insecurity				
7	The society fosters a saving habit in me.				
8	The society contributes to wealth creation and poverty reduction.				
9	My society provide techniques for alternative means of income for members				
10	As a worker, the society resolved my financial challenges.				

SECTION C

WHAT ARE THE TYPES OF ALTERNATIVE MEANS OF INCOME RENDERED TO MEMBERS INDIVIDUAL SMALL SCALE BUSINESSES BY INVESTMENT AND CREDIT SOCIETIES?

S/N	Variable	SA	A	D	SD
10	My society provides me with short-term loans.				
11	My society provides me with long-term loans.				
12	My society gives me credit purchase.				
13	My society grants me IOU when I am in need.				
14	I sell my products through my cooperative society.				
15	I receive dividend every year which increases my income.				

SECTION D

WHAT ARE THE FACTORS THAT MILITATE AGAINST INVESTMENT AND CREDIT SOCIETY IN PROVIDING CREDIT TO INDIVIDUAL MEMBERS SMALL SCALE BUSINESSES?

S/N	Variable	SA	A	D	SD
10	My society is confronted with poor				
11	Leadership.				
12	I believe that my society lack				
13	Finance for expansion.				
14	Members do not pay their loans on				
15	Time.				
16	I am of the opinion that my society				
17	Keeps bad records.				
18	Members do not attend meeting of				
19	My society regularly.				

APPENDIX III

REQUIRED SAMPLE SIZE, GIVEN A FINITE POPULATION, WHERE N= POPULATION SIZE AND N = SAMPLE SIZE

N-n	N-n	N-n	N-n	N-n
10-10	100-80	280-162	800-260	2800-338
15-14	110-86	290-165	850-265	3000-341
20-19	120-92	300-169	900-269	3500-346
25-24	130-97	320-175	950-274	4000-351
30-28	140-103	340-181	1000-278	4500-354
35-32	150-108	360-186	1100-285	5000-357
40-36	160-113	380-191	1200-291	6000-361
45-40	170-118	400-196	1300-297	7000-364
50-44	180-123	420-201	1400-302	8000-367
55-48	190-127	440-205	1500-306	9000-368
60-52	200-132	460-210	1600-310	10000-370
65-56	210-136	480-214	1700-313	15000-375
70-59	220-140	500-217	1800-317	20000-377
75-63	230-144	550-226	1900-320	30000-379
80-66	240-148	600-234	2000-322	40000-380
85-70	250-152	650-242	2200-327	50000-381
90-73	260-155	700-248	2400-331	75000-382
95-76	270-159	750-254	2600-335	100000-384

Adapted from Krejcie & Morgan. 1970: P.608