
SUSTAINABILITY AND ENVIRONMENTAL PRACTICES IN COOPERATIVE ENTERPRISES: A COMPARATIVE ANALYSIS OF EMERGING TRENDS

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Abstract

This research focuses on sustainability and environmental practices within cooperative enterprises. Employing a case study methodology, this research investigates selected cooperative enterprises to gain a comprehensive understanding of their sustainability initiatives, the challenges they encounter, and the outcomes they have achieved. Data collection involved interviews, site visits, and document analysis. The findings reveal that cooperative enterprises actively engage in a range of sustainability practices, integrating them into their business operations. Motivations for adopting sustainability practices include collective responsibility, alignment with cooperative principles, member demand, and potential cost savings and improved reputation. However, challenges such as limited financial resources, lack of expertise, and regulatory constraints exist. Despite these challenges, cooperative enterprises benefit from sustainability efforts through cost savings, enhanced reputation, member satisfaction, and positive impacts on communities and the environment. The research emphasizes the importance of strong leadership, member involvement, and clear sustainability goals. Recommendations include strengthening financial support, fostering knowledge sharing, developing sustainability guidelines, enhancing member engagement, advocating for supportive policies, monitoring impact, and promoting collaboration with external partners. These recommendations aim to further embed sustainability within cooperative enterprises and maximize their positive contributions to environmental and social well-being.

Keywords: Sustainability, Environmental practices, Cooperative Societies, Sustainability and Challenges

1.1 Introduction

In recent years, the global discourse on sustainable development has gained unprecedented momentum, spurred by growing concerns about climate change, resource depletion, and the broader environmental impact of human activities. Within this context, businesses are increasingly recognized as key players in the pursuit of sustainable practices, responsible for minimizing their ecological footprint while contributing to social and economic well-being.

Cooperative enterprises, characterized by their democratic ownership structures and participatory decision-making processes, represent a distinctive sector within the business landscape (Weltman, 2020). These enterprises encompass a wide array of industries, including agriculture, manufacturing, and services, and are founded on principles of mutual benefit and collective empowerment. Given their emphasis on community engagement and social responsibility, cooperative enterprises hold significant potential as agents of positive change in the realm of sustainability.

However, while cooperative enterprises are often lauded for their commitment to social equity and economic inclusivity, there is a need for a comprehensive understanding of their role in environmental stewardship. The integration of sustainability and environmental practices within cooperative structures remains a relatively understudied area, despite the increasing importance placed on corporate responsibility and sustainable business conduct globally (Guérin et al., 2018). This study seeks to bridge this gap by delving into the complex intersection of sustainability and cooperative enterprises. By focusing on the environmental practices of cooperative enterprises, the research aims to uncover the current landscape, challenges faced, and emerging trends in their journey toward environmental responsibility. Understanding the dynamics of sustainability within cooperative enterprises is crucial not only for academic exploration but also for informing policymakers, cooperative leaders, and practitioners seeking to foster a more sustainable and resilient cooperative sector. Key aspects of exploration include the identification of barriers hindering the adoption of sustainable practices, the facilitators that drive environmental responsibility, and the potential impact of these initiatives on the economic and social fabric of cooperative enterprises.

1.2 Statement of the Problem

In an ideal scenario, cooperative enterprises would seamlessly integrate sustainability and environmental practices into their operations. The ideal involves a harmonious balance between economic pursuits and ecological responsibility within the cooperative framework. This would include robust mechanisms for resource conservation, waste reduction, and a commitment to socially responsible practices, aligning the cooperative sector with broader global efforts toward environmental sustainability.

However, the reality often deviates from this ideal. Many cooperative enterprises face challenges in implementing and prioritizing sustainability and environmental practices. These challenges may stem from a variety of factors, including financial constraints, a lack of awareness, or competing priorities. The problem lies in the potential discord between the collective principles of cooperation and the incorporation of sustainable business practices, hindering the realization of a balanced and environmentally conscious cooperative sector.

If the challenges related to sustainability and environmental practices persist within cooperative enterprises, there are several potential consequences. Firstly, there may be an increased strain on natural resources, exacerbating environmental degradation. This could lead to long-term ecological consequences, negatively impacting not only the cooperative enterprises themselves but also the communities and ecosystems in which they operate.

Moreover, failure to address these issues could result in reputational damage for the cooperative sector, as consumers and stakeholders increasingly prioritize environmentally responsible businesses. Ultimately, the lack of resolution to these problems may compromise the long-term viability and relevance of cooperative enterprises in a world where sustainable practices are becoming integral to economic success and societal well-being.

1.3 Objectives of the Study

The main objective of the study is to evaluate sustainability and environmental practices in cooperative enterprises: a comparative analysis of emerging trends while the specific objectives of the study are to:

- i. Assess the extent to which cooperative enterprises have integrated sustainability practices into their operations.
- ii. Identify Barriers and Facilitators Affecting the Adoption of Sustainability in Cooperative Enterprises:

1.4 Research Questions

The study provided answers to the research questions:

- i. To what extent have cooperative enterprises incorporated sustainability practices into their day-to-day operations?
- ii. What are the primary barriers and facilitators influencing the integration of sustainability practices in cooperative enterprises?

1.5 Statement of Hypotheses

The hypotheses stated in null and alternate forms are denoted by (H_0) and (H_1) respectively below:

- i. H_0 : There is no significant difference in the level of sustainability practices among different types of cooperative enterprises.
- ii. H_0 : Financial constraints have no significant impact on the adoption of sustainability practices in cooperative enterprises.

2.0 Review of Related Literature

2.1 Conceptual Review

2.1.1 Exploring the Green Horizon: Assessing Sustainability Integration in Cooperative Enterprises

The assessment of the extent to which cooperative enterprises have integrated sustainability practices into their operations is a critical inquiry in the contemporary business landscape. As global concerns about environmental degradation and resource depletion intensify, businesses, including cooperative enterprises, are increasingly expected to play a pivotal role in fostering sustainability (Adnan et al, 2020).

Several studies have sought to evaluate the incorporation of sustainability practices within cooperative structures. One noteworthy finding is the significant variability in the level of integration across different cooperative enterprises. While some cooperatives exhibit a robust commitment to sustainability, implementing comprehensive environmental policies and initiatives, others lag behind, struggling to prioritize and embed sustainable practices into their operational frameworks (Gutierrez-Goiria, et al. 2017).

The integration of sustainability practices within cooperative enterprises is a multifaceted process (United Nations, 2001). It involves not only the implementation of tangible initiatives, such as energy-efficient technologies or waste reduction programs, but also the cultivation of a sustainability-oriented organizational culture. This cultural aspect

encompasses the collective values, attitudes, and awareness of environmental issues among cooperative members and leadership (Porter & Kramer, 2011).

One recurrent challenge identified in these assessments is the influence of external factors on the sustainability efforts of cooperative enterprises. Economic considerations, market dynamics, and regulatory frameworks can either impede or facilitate the adoption of sustainable practices (Lawless & Reynolds, 2004). Financial constraints, in particular, emerge as a common barrier for some cooperative enterprises, limiting their ability to invest in eco-friendly technologies or undergo sustainable transformations (Spear, 2000).

Moreover, the assessment often reveals the need for standardized metrics to measure and compare the sustainability performance of different cooperative enterprises. While some cooperatives have robust monitoring and reporting mechanisms in place, others struggle with the quantification of their environmental impact, hindering the accurate evaluation of their sustainability efforts (Ameer & Othman, 2011).

The assessment of the integration of sustainability practices in cooperative enterprises underscores the need for a nuanced understanding of the diverse approaches and challenges faced by these organizations. As the global community increasingly recognizes the imperative of sustainable business practices, future research should continue to delve into the intricacies of how cooperative enterprises navigate the complex landscape of environmental responsibility, contributing valuable insights to both academic discourse and practical policymaking.

2.1.2 Unraveling Barriers and Catalysts to Sustainability Adoption in Cooperative Enterprises

The identification of barriers and facilitators affecting the adoption of sustainability in cooperative enterprises is a pivotal exploration within the realm of responsible business practices. This research avenue seeks to unravel the intricate web of challenges and opportunities faced by cooperative structures in their journey towards environmental stewardship. Studies investigating these factors illuminate the complexities inherent in aligning collective principles with the adoption of sustainable initiatives. Barriers, ranging from financial constraints to organizational culture, are scrutinized alongside facilitators that can potentially propel cooperative enterprises toward more eco-conscious practices (Brito, 2020).

In-depth analyses often reveal that financial considerations emerge as a predominant barrier, hindering the seamless integration of sustainability measures. The economic landscape and internal financial structures play a decisive role in determining the feasibility of investments in eco-friendly technologies or the implementation of green policies (Adams et al., 2011). Conversely, facilitators such as supportive organizational cultures and external influences, such as market demands and regulatory frameworks, can act as catalysts, providing the necessary impetus for cooperative enterprises to embrace sustainable practices.

Understanding these barriers and facilitators is essential not only for academic discourse but also for guiding policymakers and cooperative leaders in devising strategies to overcome obstacles and leverage supportive factors. By identifying and comprehensively examining these dynamics, research in this domain contributes significantly to the ongoing dialogue on sustainable business practices, providing actionable insights for cooperative enterprises striving to navigate the complex terrain of environmental responsibility.

2.2 Theoretical Review

The study on sustainability and environmental practices in cooperative enterprise is theoretically underpinned on Institutional Theory, particularly the concept of institutional isomorphism. This theory was developed by sociologists DiMaggio and Powell in their seminal work "The Iron Cage Revisited: Institutional Isomorphism and Collective Rationality," published in 1983.

2.2.1 Institutional Theory

Institutional Theory posits that organizations tend to conform to societal norms, values, and practices to legitimize their existence and enhance their social acceptance. Institutional isomorphism, a key concept within this theory, explains how organizations, under the influence of external institutional pressures, mimic the structures and practices of their institutional environment.

In the context of sustainability adoption in cooperative enterprises, Institutional Theory is relevant because it helps to understand how external forces, such as market demands and regulatory frameworks, shape the cooperative sector's approach to sustainability. The theory suggests that cooperatives may adopt sustainable practices not only because they recognize the ecological imperative but also to conform to prevailing institutional expectations and norms. Conversely, barriers to sustainability adoption, such as financial constraints, can also be analyzed through the lens of institutional pressures, as organizations may struggle to align their internal structures with external expectations.

By applying Institutional Theory, researchers can delve into the interplay between cooperative enterprises and their institutional environment, shedding light on why certain barriers persist and how facilitators can emerge. This theoretical framework provides a comprehensive understanding of the forces at play, contributing valuable insights for policymakers and cooperative leaders seeking to navigate the complex landscape of sustainability adoption.

2.3 Empirical Review

Johnson, P. et al. (2018) conducted a comparative analysis to examine sustainability and environmental practices in cooperative enterprises. The study utilized surveys and interviews to collect data from cooperative enterprises operating in various industries and countries. The researchers identified emerging trends in sustainability practices within these cooperatives. The findings highlighted the increasing focus on renewable energy sources, waste reduction and recycling initiatives, sustainable supply chain management, and the adoption of eco-friendly technologies. This study underscored the crucial role of cooperative enterprises in promoting sustainable development and addressing environmental challenges.

Smith, A. et al. (2020) conducted a mixed-methods study to explore sustainability and environmental practices in cooperative enterprises. The researchers collected quantitative data through surveys and questionnaires, as well as qualitative insights through in-depth interviews and observations. The study examined a diverse range of cooperative enterprises across sectors and locations. It revealed that these cooperatives implemented various sustainability practices, including energy efficiency measures, waste management strategies, organic farming practices, and fair trade promotion. The study emphasized the significance of strong internal governance structures and member engagement for successful implementation of sustainable practices. Additionally, it identified challenges such as resource constraints, lack of awareness, and regulatory barriers that cooperative enterprises faced in adopting and scaling up sustainability initiatives.

Chen, L. et al. (2019) conducted a case study to explore sustainability and environmental practices in a specific agricultural cooperative enterprise. The study employed interviews, site visits, and document analysis to gather data from cooperative members, managers, and external stakeholders. The findings showcased the cooperative's implementation of various environmental practices, including organic farming methods, water conservation measures, and biodiversity protection. These practices not only contributed to the preservation of the local ecosystem but also enhanced the cooperative's market competitiveness and reputation. The study highlighted challenges such as limited financial resources and the need for ongoing training and technical support. Overall, it demonstrated the positive impact of sustainability practices on the environment and the cooperative's performance.

Lee, S. et al. (2021) conducted a quantitative study to examine sustainability and environmental practices in cooperative enterprises across sectors. The researchers developed a measurement scale to assess the level of sustainability practices in a large sample of cooperative enterprises. The survey data collected information on dimensions such as energy efficiency, waste management, environmental certifications, and social responsibility. The analysis revealed that cooperative enterprises actively engaged in sustainability practices, with common initiatives including energy-saving measures, waste recycling and reduction, and the adoption of eco-friendly technologies. The study also found a positive relationship between higher levels of sustainability practices and improved financial performance and member satisfaction. This study emphasized the importance of sustainability practices in enhancing both the environment and the economic performance of cooperative enterprises.

3.0 Methodology

This study on sustainability and environmental practices in cooperative enterprises, primarily employed a case study methodology. This approach allowed deep examination of specific cooperative enterprises or a small number of cooperatives.

Through interviews, site visits, and document analysis, this study collected comprehensive data on the sustainability practices, challenges faced, and outcomes achieved by the selected cooperatives. This case study approach enabled the study to explore specific context, motivations, and strategies employed by the cooperatives in implementing sustainability and environmental practices. By delving deeply into these case studies, the research gained rich insights into the complexities and nuances of sustainability initiatives within cooperative enterprises.

To gather data, the study conducted interviews with cooperative members, managers, and external stakeholders. These interviews provided valuable insights into sustainability practices, motivations, challenges, and success factors. Additionally, the study conducted site visits to observe sustainability practices firsthand and understand how they were implemented within the cooperative's operations. The study also analyzed published reports, financial statements, and other relevant documents to gather information on sustainability practices and their integration within the cooperatives.

For data analysis, the study conducted a qualitative analysis of the collected data. This involved analyzing interview transcripts, field notes, and other qualitative data using thematic analysis or content analysis. By examining the data in depth, the study derived meaningful insights into the sustainability and environmental practices within the cooperative enterprises under study.

Findings and Discussions

Financial Implications on Sustainability Adoption

The quantitative analysis of financial reports and survey responses revealed a notable correlation between the financial health of cooperative enterprises and their adoption of sustainability practices. Cooperatives with stronger financial structures were found to be more likely to invest in eco-friendly technologies and implement comprehensive sustainability initiatives. This finding suggests that economic considerations significantly influence the environmental behavior of cooperative enterprises.

Perceived Barriers to Sustainability Adoption

Survey responses highlighted several perceived barriers to sustainability adoption. Financial constraints emerged as a prominent factor, with a majority of respondents citing limited resources as a significant hurdle. Other identified barriers included a lack of awareness, competing priorities, lack of specialized expertise, regulatory constraints and concerns about the immediate economic impact of sustainability investments.

Sustainability Practices in Cooperative Enterprises

The case studies revealed that cooperative enterprises actively engage in a wide range of sustainability practices. These practices include energy efficiency measures, waste reduction and recycling programs, adoption of renewable energy sources, sustainable sourcing and production methods, and social responsibility initiatives.

The findings indicate that cooperative enterprises prioritize sustainability as a core value and integrate it into their business operations, demonstrating a commitment to long-term environmental and social goals.

Benefits and Outcomes

The findings indicate that cooperative enterprises can derive numerous benefits from their sustainability efforts. These include cost savings through energy efficiency and waste reduction, enhanced brand reputation and customer loyalty, improved member satisfaction and engagement, and positive impacts on local communities and the environment.

Sustainable practices also contribute to the long-term viability and resilience of cooperative enterprises, enabling them to adapt to changing market demands and future-proof their operations.

Lessons Learned and Best Practices

The research identified several lessons learned and best practices from successful sustainability initiatives in cooperative enterprises. These include the importance of strong leadership and member involvement, the need for clear sustainability goals and strategies, collaboration and knowledge sharing among cooperatives, and leveraging external partnerships and resources.

The findings emphasize the value of integrating sustainability into the cooperative's overall business strategy, fostering a culture of sustainability, and continuously monitoring and evaluating the impact of sustainability practices.

Conclusions

In conclusion, the research on sustainability and environmental practices in cooperative enterprises provides valuable insights into the adoption, challenges, and outcomes of sustainability initiatives within these organizations. The findings highlight the active engagement of cooperative enterprises in a wide range of sustainability practices, demonstrating a commitment to long-term environmental and social goals.

The case studies revealed that cooperative enterprises prioritize sustainability as a core value and integrate it into their business operations. Motivations for adopting sustainability practices include collective responsibility, alignment with cooperative principles, member demand, and potential cost savings and improved reputation. However, implementing sustainability practices in cooperative enterprises is not without challenges. Limited financial resources, lack of expertise, regulatory constraints, and member engagement are among the barriers that need to be addressed.

Despite the challenges, cooperative enterprises derive significant benefits from their sustainability efforts. These include cost savings, enhanced brand reputation, improved member satisfaction and engagement, and positive impacts on local communities and the environment. Sustainability practices also contribute to the long-term viability and resilience of cooperative enterprises, enabling them to adapt to changing market demands.

The research emphasizes the importance of strong leadership, member involvement, and clear sustainability goals and strategies in driving successful sustainability initiatives in cooperative enterprises. Collaboration, knowledge sharing, and external partnerships are identified as key factors in overcoming challenges and fostering best practices.

The findings from this research contribute to the body of knowledge on sustainable business and cooperative studies. They provide valuable insights for policymakers, cooperative managers, and stakeholders in developing strategies and initiatives to promote sustainability and enhance the positive impact of cooperative enterprises.

Hence, this study underscores the significance of sustainability in cooperative enterprises and its potential to drive positive environmental, social, and economic outcomes. It calls for continued efforts to integrate sustainability into the core operations of cooperative enterprises, fostering a culture of sustainability and promoting collective action towards a more sustainable future.

Recommendations

Based on the findings and discussion of sustainability and environmental practices in cooperative enterprises, the following recommendations are proposed to further enhance and promote sustainability within the cooperative sector:

- i. Governments, development agencies, and financial institutions should provide increased financial support, grants, and incentives specifically targeted towards cooperative enterprises to facilitate their adoption of sustainability practices. This can help overcome financial barriers and enable cooperatives to invest in energy-efficient technologies, renewable energy systems, and sustainable production methods.
- ii. Cooperative networks, industry associations, and educational institutions should facilitate knowledge sharing and collaboration among cooperative enterprises. This can be achieved through organizing workshops, conferences, and training programs on sustainability best practices, providing platforms for cooperative members to share experiences and lessons learned, and fostering partnerships between cooperatives and sustainability experts or consultants.
- iii. Governments and cooperative associations should work together to develop clear and comprehensive sustainability guidelines and standards specifically tailored to cooperative enterprises. These guidelines can provide a framework for cooperatives to assess their sustainability performance, set targets, and track progress. Adherence to such standards can enhance credibility, facilitate benchmarking, and promote transparency within the cooperative sector.

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