

HUMAN RESOURCE MANAGEMENT PRACTICES AND VALUE ALIGNMENT IN TERTIARY INSTITUTION COOPERATIVES IN NIGERIA

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ABSTRACT

This study examines how participatory human resource management (HRM) practices influence member commitment and cooperative performance in tertiary institution cooperatives in Nigeria, with particular attention to the role of value alignment. Although cooperatives are grounded in democratic member-ownership principles, the increasing adoption of formal HRM systems raises concerns about their compatibility with cooperative values. However, empirical evidence on how participatory HRM practices function within this context remains limited. Drawing on Stakeholder Theory and Humanistic HRM perspectives, the study investigates the effects of participative decision-making, training and cooperative education, reward equity, and value HRM alignment on cooperative outcomes. A cross-sectional survey design was employed, and data were collected from 312 cooperative members across six tertiary institutions using stratified sampling techniques. Data were analyzed using regression and conditional process analysis. The findings indicate that participative decision-making significantly enhances member commitment, while training and cooperative education improve cooperative performance. Reward equity partially explains the relationship between participatory HRM practices and member commitment, and value HRM alignment strengthens the effect of participatory HRM practices on performance. The study contributes to the HRM and cooperative literature by demonstrating that the effectiveness of participatory HRM practices in cooperative enterprises depends on their alignment with cooperative values. It provides practical insights for designing participatory and value-driven HRM systems in tertiary institution cooperatives.

Keywords: Human Resource Management, Cooperatives, Member Commitment, Cooperative Performance and Value Alignment.

Introduction

Cooperative enterprises are widely recognized as key instruments for promoting inclusive economic development, social protection, and collective self-help, particularly in developing economies (Birchall, 2014; Wanyama, 2016). In Nigeria, cooperatives play an important role within tertiary institutions by providing financial services, welfare support, and entrepreneurial opportunities for staff and students (Odetola & Etuk, 2017). Unlike investor-owned firms, they are guided by principles of democratic participation, member ownership, and equity, which shape their governance and management systems (International Cooperative Alliance [ICA], 2015; Novkovic, 2008).

However, the growing complexity of cooperative activities has necessitated the adoption of more formalized management systems, particularly participatory human resource management (HRM) practices. Practices such as participative decision-making, training and development, and equitable reward systems are associated with improved commitment and performance (Guest, 2017; Jiang et al., 2012). Yet, these models are largely derived from corporate contexts characterized by hierarchical control and individual incentives (Armstrong & Taylor, 2020), which may conflict with cooperative values of participation, equity, and collective ownership (Novkovic & Miner, 2015). Such misalignment can undermine trust and weaken member engagement (Novkovic, 2008), leading to decreased collaboration and a lack of shared commitment to organisational goals.

This tension is particularly evident in tertiary institution cooperatives, where bureaucratic structures, diverse stakeholder interests, and high membership turnover create managerial challenges (Altbach et al., 2009; Agbo, 2010). These conditions often lead to weak administrative capacity, inconsistent implementation of HRM practices, and declining member commitment (Cornforth, 2004; Wanyama, 2016). As a result, the effectiveness of participatory HRM practices depends not only on their adoption but also on their alignment with cooperative values.

Although HRM–performance relationships are well established in corporate settings (Jiang et al., 2012; Guest, 2017), empirical evidence from cooperative enterprises—particularly in tertiary institutions and developing countries—remains limited (Davis, 2001; Agbo, 2010). More importantly, the role of value alignment as a mechanism linking participatory HRM practices to member and organizational outcomes has been largely overlooked.

This study addresses this gap by examining how participatory HRM practices—participative decision-making, training and cooperative education, reward equity, and value HRM alignment—influence member commitment and cooperative performance in tertiary institution cooperatives in Nigeria. Drawing on Stakeholder Theory (Freeman, 1984) and Humanistic HRM (Budd, 2004; Pirson & Lawrence, 2010), the study argues that HRM practices are more effective when aligned with cooperative principles of participation, fairness, and collective ownership. These theoretical perspectives provide the foundation for the hypothesized relationships between participatory HRM practices, reward equity, value alignment, and cooperative outcomes.

The study contributes by extending HRM research to cooperative enterprises, providing empirical evidence on the moderating role of value alignment, and offering practical insights for designing participatory and value-driven HRM systems that enhance member commitment and performance.

Literature Review

Cooperatives in Tertiary Institutions: Organizational Context and Governance Challenges

Cooperatives in tertiary institutions represent a hybrid organizational form that combines member-owned governance structures with the bureaucratic and institutional dynamics of higher

education systems. Unlike conventional firms, cooperatives are designed to meet the economic and social needs of their members through democratic control and collective ownership (Birchall, 2014; International Cooperative Alliance [ICA], 2015). However, their embeddedness within tertiary institutions introduces unique governance complexities that differentiate them from community-based or sector-specific cooperatives, such as the need to balance institutional objectives with member interests and navigate bureaucratic structures.

Scholars have emphasized that tertiary institution cooperatives operate under dual institutional pressures: adherence to cooperative principles and compliance with institutional regulations (Altbach et al., 2009; Odetola & Etuk, 2017). This duality often constrains decision-making autonomy and shapes leadership practices. While some studies suggest that such institutional embeddedness enhances legitimacy and resource access, others argue that it may weaken participatory governance by introducing bureaucratic rigidity (Cornforth, 2004; Wanyama, 2016), which can lead to decreased stakeholder engagement and hinder the responsiveness of leadership to community needs.

A further challenge arises from the heterogeneous and transient nature of membership. As Agbo (2010) notes, student members typically have short-term involvement, whereas staff members maintain longer-term commitments, creating asymmetries in participation and organizational continuity. Fulton and Giannakas (2013) argue that such membership fluidity can undermine institutional memory and strategic consistency. However, this view is contested by recent studies suggesting that diversity in membership can enhance adaptability and innovation when effectively managed (Bijman et al., 2016), particularly in organisations that implement inclusive practices and foster collaboration among diverse members.

Despite their socio-economic importance, many tertiary institution cooperatives continue to operate with weak administrative structures and limited professional management capacity (Wanyama, 2016). This raises an important question: how can formal management systems, particularly participatory HRM practices, be designed to strengthen cooperative performance without eroding their democratic foundations?

Human Resource Management in Cooperative Contexts: Tensions and Adaptation

Human resource management (HRM) has been widely recognized as a critical determinant of organizational performance, employee commitment, and institutional effectiveness (Guest, 2017; Jiang et al., 2012). In conventional organizations, HRM systems are typically designed to enhance efficiency through structured practices such as performance management, training, and incentive-based rewards (Armstrong & Taylor, 2020). However, the applicability of these models to cooperative enterprises remains contested, as these organisations often prioritise democratic decision-making and member engagement over traditional efficiency metrics.

A central debate in the literature concerns the compatibility of conventional HRM systems with cooperative values. On one hand, proponents argue that the adoption of formal participatory HRM practices enhances managerial efficiency, accountability, and performance outcomes in cooperatives (Davis, 2001; Mazzarol et al., 2014). On the other hand, critics contend that corporate-style participatory HRM practices, particularly those emphasizing hierarchy and individual performance, may conflict with cooperative principles of equality, participation, and collective ownership (Novkovic, 2008; Novkovic & Miner, 2015).

This tension reflects a broader theoretical divide between efficiency-driven and value-driven approaches to management. As John W. Budd (2004) argues, HRM systems must balance efficiency, equity, and voice to achieve sustainable organizational outcomes. In cooperative settings, this balance is particularly delicate, as members are not merely employees but co-owners whose engagement depends on perceived fairness and participation.

Recent studies suggest that the effectiveness of participatory HRM practices in cooperatives depends less on their adoption per se and more on their contextual alignment with organizational values (Poutsma et al., 2017; Basterretxea et al., 2019). For instance, participatory HRM systems have been shown to enhance trust, commitment, and organizational performance in member-based organizations (Basterretxea et al., 2019). However, empirical evidence in developing country contexts, particularly within tertiary institutions, remains scarce.

Theoretical Foundations: Stakeholder Theory and Humanistic HRM

This study draws on Stakeholder Theory and Humanistic HRM as complementary frameworks for understanding participatory HRM practices in cooperative enterprises. Stakeholder theory, developed by Freeman (1984), posits that organizations must consider the interests of all stakeholders rather than prioritising shareholders alone. In cooperatives, this perspective is particularly relevant, as members simultaneously function as owners, users, and beneficiaries (Birchall, 2011). However, while Stakeholder Theory explains *whose interests matter*, it does not fully address *how* management systems should be designed to balance these interests. This limitation is addressed by Humanistic HRM, which emphasizes dignity, participation, and fairness in organizational practices (Budd, 2004; Pirson & Lawrence, 2010). Unlike instrumental HRM approaches, Humanistic HRM advocates for people-centred systems that promote voice and empowerment.

The integration of these perspectives provides a strong theoretical basis for analyzing HRM in cooperatives. While Stakeholder Theory justifies participatory governance, Humanistic HRM explains why practices such as equitable rewards, inclusive decision-making, and continuous training are essential for sustaining member commitment. This combined framework supports the argument that HRM effectiveness in cooperatives depends on both stakeholder inclusion and value alignment.

Participatory HRM Practices and Cooperative Outcomes: Empirical Evidence and Gaps

Empirical research has consistently demonstrated that specific participatory HRM practices influence organizational outcomes, including commitment, satisfaction, and performance. Participative decision-making, for example, has been shown to enhance psychological ownership, engagement, and organizational commitment (Cotton et al., 1988; Wagner, 1994; Basterretxea et al., 2019). However, while these findings are well established in corporate and employee-owned contexts, their applicability to cooperative enterprises remains underexplored.

Training and development represent another critical HRM practice. According to human capital theory (Becker, 1964), investment in skills and knowledge enhances organizational productivity. In cooperative contexts, training is particularly important due to the often voluntary and rotating nature of leadership (Birchall & Simmons, 2009). Yet, empirical studies suggest that many cooperatives in developing countries lack structured training systems, limiting their effectiveness (Agbo, 2010).

Reward equity has also received significant attention in organizational research. Equity theory (Adams, 1965) posits that perceptions of fairness influence motivation and commitment. In cooperatives, where members contribute both financially and socially, equitable distribution of benefits is critical for maintaining trust and cohesion (Cornforth, 2004). However, few studies have empirically examined the mediating role of reward equity in linking participatory HRM practices to cooperative outcomes.

Finally, the concept of value HRM alignment remains underdeveloped in the literature. While scholars acknowledge that management practices must reflect organizational values (Novkovic & Miner, 2015), there is limited empirical evidence on how such alignment moderates

the relationship between participatory HRM practices and performance. This represents a key gap, particularly in the context of cooperative enterprises where values are central to organizational identity.

Human resource management (HRM) practices in this study are conceptualized as a composite system of interrelated practices, rather than isolated activities. Specifically, participative decision-making, training and cooperative education, and reward equity are treated as complementary dimensions of a broader participatory HRM framework. This approach is consistent with prior HRM research, which emphasizes that bundles of internally consistent practices exert stronger effects on organizational outcomes than individual practices implemented in isolation (Jiang et al., 2012; Guest, 2017). Accordingly, this study adopts a systems perspective in examining how participatory HRM practices collectively influence member commitment and cooperative performance.

Participatory HRM Practices and Cooperative Outcomes: Integrated Hypotheses Development

Human resource management (HRM) practices in cooperative organizations are most effective when implemented as mutually reinforcing systems that promote participation, fairness, and capacity development. In this study, participatory HRM practices are conceptualized as a participatory bundle comprising participative decision-making, training and cooperative education, and equitable reward systems.

Participative decision-making reflects the democratic foundation of cooperative governance and enhances members' sense of ownership and psychological attachment to the organisation. Stakeholder theory suggests that involving members in decision-making strengthens commitment by aligning organizational processes with stakeholder interests (Freeman, 1984). Empirical studies similarly show that participatory practices enhance engagement and organizational commitment (Cotton et al., 1988; Wagner, 1994; Basterretxea et al., 2019).

Training and cooperative education contribute to the development of skills and competencies necessary for effective cooperative management. Drawing on human capital theory (Becker, 1964), investment in member capacity enhances organizational effectiveness and sustainability. In cooperative contexts, training is particularly important due to leadership rotation and limited managerial expertise (Birchall & Simmons, 2009).

Equitable reward systems reinforce perceptions of fairness and trust, which are essential for sustaining member participation. According to equity theory (Adams, 1965), individuals evaluate fairness based on the balance between contributions and rewards, and such perceptions significantly influence commitment and cooperative cohesion (Cornforth, 2004).

Taken together, these practices form a coherent HRM system that is expected to influence both member attitudes and organizational outcomes.

H1: Participatory HRM practices positively influence member commitment in tertiary institution cooperatives.

H2: Participatory HRM practices positively influence cooperative performance.

Despite the direct effects of participatory HRM practices, their influence on member commitment may operate through underlying psychological mechanisms. Reward equity represents a critical pathway through which participatory HRM practices shape member attitudes. When HRM systems are perceived as fair, members are more likely to develop a stronger emotional attachment to the cooperative.

H3: Reward equity mediates the relationship between participatory HRM practices and member commitment.

Finally, the effectiveness of participatory HRM practices depends on their alignment with cooperative values. In organizations where HRM systems reflect principles such as democratic participation, equity, and collective ownership, their impact on performance is likely to be stronger. H4: Value HRM alignment moderates the relationship between Participatory HRM practices and cooperative performance.

Methodology

1 Research Design

This study adopts a quantitative cross-sectional survey design to examine the relationships between human resource management (HRM) practices, member commitment, and cooperative performance in tertiary institution cooperatives in Nigeria. A cross-sectional approach is appropriate because the study seeks to test hypothesized relationships among variables at a single point in time across multiple cooperative settings (Creswell & Creswell, 2018; Pallant, 2020). The use of a quantitative design is consistent with prior HRM research that emphasizes the measurement of perceptions and the statistical testing of relationships among constructs (Guest, 2017; Jiang et al., 2012). This approach enables the study to generate generalizable evidence on how participatory HRM practices influence cooperative outcomes.

2 Population, Study Area, and Sampling Procedure

The target population comprised registered members of cooperative societies in selected tertiary institutions in Zamfara State, Nigeria. This context was chosen due to the presence of diverse cooperative types and their role in financial inclusion and welfare support (Agbo, 2010; Odetola & Etuk, 2017). A multi-stage sampling procedure was adopted. First, six institutions were purposively selected to capture variation in ownership structure and the presence of functional cooperatives, an approach suitable for context-specific studies despite potential selection bias (Etikan et al., 2016; Bryman, 2016). Second, proportionate stratified random sampling was used to select respondents based on membership category (students and staff), ensuring adequate representation of key subgroups (Dillman et al., 2014; Taherdoost, 2016). A sample size of 312 respondents was obtained from 400 distributed questionnaires (78.0% response rate), meeting recommended thresholds for regression-based analyses and supporting the reliability of the findings (Hair et al., 2019). To enhance robustness, control variables, including membership category, years of membership, and gender, were incorporated, as these factors may influence both participation in participatory HRM practices and perceptions of cooperative outcomes.

3 Measurement of Variables and Instrumentation

Data were collected using a structured questionnaire designed to measure Participatory HRM practices, value alignment, member commitment, and cooperative performance. All constructs were operationalized using multi-item scales adapted from prior validated studies to ensure content validity and comparability.

Participative decision-making was measured using items adapted from Cotton et al. (1988) and Wagner (1994), capturing the extent of member involvement in decision processes. Training and cooperative education were measured based on established HRM and cooperative education frameworks (Jiang et al., 2012; Birchall & Simmons, 2009). Reward equity was operationalized using items derived from equity theory literature (Adams, 1965; Colquitt, 2001), focusing on perceptions of fairness in benefit distribution. Member commitment was measured using the affective commitment scale developed by Meyer and Allen (1997). Cooperative performance was assessed using perceptual measures consistent with prior organizational research (Guest, 2017).

All items were measured on a five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). Prior to data collection, the instrument was reviewed by subject experts and

pilot-tested to ensure clarity and contextual relevance. For hypothesis testing, Participatory HRM practices were operationalized both as individual dimensions and as a composite index to capture their combined systemic effect, consistent with the study's participatory HRM framework. In addition, cooperative performance was measured using perceptual indicators reported by members. This approach is consistent with prior organizational research, particularly in contexts where objective financial data are not readily available or standardized across organizations (Guest, 2017). Perceptual measures have been shown to provide reliable approximations of organizational performance when respondents are sufficiently informed about organizational activities.

4. Measurement Validity, Reliability, and Common Method Bias

To ensure measurement rigour, the study assessed reliability, convergent validity, and potential common method bias. Reliability was evaluated using both Cronbach's alpha and composite reliability (CR). All constructs exceeded the recommended threshold of 0.70, indicating satisfactory internal consistency (Nunnally & Bernstein, 1994; Hair et al., 2019). Composite reliability values ranged between 0.84 and 0.90, further confirming the stability of the measurement scales. Convergent validity was assessed using Average Variance Extracted (AVE). The AVE values for all constructs exceeded the minimum threshold of 0.50, indicating that the constructs explain more than half of the variance in their respective indicators (Fornell & Larcker, 1981). In addition, factor loadings for all items were above 0.60, confirming acceptable indicator reliability. To assess and mitigate the potential impact of common method bias (CMB), both procedural and statistical remedies were employed. Procedurally, respondents were assured of anonymity and confidentiality, and questionnaire items were carefully structured to reduce ambiguity and evaluation apprehension. In addition, different scale anchors and item wordings were used to minimize response pattern bias.

Statistically, Harman's single-factor test was conducted as an initial diagnostic. The results indicated that no single factor accounted for the majority of the variance, with the first factor explaining 32.4% of the total variance, which is below the 50% threshold commonly used to indicate serious common method bias (Podsakoff et al., 2003). While this result suggests that CMB is unlikely to pose a significant threat, it is acknowledged that Harman's test has limitations. Therefore, the findings should be interpreted with due caution, and future studies are encouraged to apply more advanced techniques such as marker-variable approaches.

Table 1: Validity and Reliability Statistics

Construct	Cronbach's α	CR	AVE
Participative Decision-Making	0.86	0.88	0.59
Training & Cooperative Education	0.84	0.86	0.56
Reward Equity	0.88	0.90	0.61
Value HRM Alignment	0.85	0.87	0.58
Member Commitment	0.87	0.89	0.60
Cooperative Performance	0.83	0.85	0.55

6. Data Analysis Techniques

Data were analyzed using SPSS (Version 27) and the PROCESS macro (Hayes, 2018). The analysis proceeded in several stages. First, descriptive statistics were used to summarize respondent characteristics and provide an overview of the data distribution. Second, Pearson correlation analysis was conducted to examine relationships among variables and assess potential multicollinearity issues (Hair et al., 2019). Third, hierarchical multiple regression analysis was employed to test the direct effects of Participatory HRM practices on member commitment and

cooperative performance while controlling for demographic and membership-related variables. This approach allows for the assessment of the incremental explanatory power of the main predictors beyond control variables. Fourth, mediation and moderation analyses were conducted using the PROCESS macro. Reward equity was tested as a mediator of the relationship between Participatory HRM practices and member commitment, while value HRM alignment was examined as a moderator of the relationship between Participatory HRM practices and cooperative performance. Bootstrapping procedures with 5,000 resamples were used to generate bias-corrected confidence intervals for indirect and interaction effects, providing more robust estimates (Hayes, 2018). All statistical tests were conducted at a 5% significance level ($p < .05$).

7. Ethical Considerations

Participation in the study was voluntary, and respondents were assured of anonymity and confidentiality. Informed consent was obtained prior to data collection, and the study adhered to standard ethical guidelines for social science research.

Results

Descriptive Statistics and Reliability

Descriptive statistics and reliability estimate for the study variables are presented in Table 1. The mean scores for the variables ranged from 3.62 to 3.88 on a five-point Likert scale, indicating generally positive perceptions of human resource management practices and cooperative outcomes among respondents. Participative decision-making recorded a mean score of 3.76 ($SD = 0.74$), suggesting that members perceived a relatively high level of involvement in cooperative decision processes. Member commitment showed the highest mean value ($M = 3.88$, $SD = 0.69$), indicating strong emotional attachment and identification with the cooperative societies.

Table 2: Descriptive Statistics and Reliability Estimates

Variable	Mean	SD	Cronbach's α
Participative Decision-Making	3.76	0.74	.86
Training and Cooperative Education	3.71	0.72	.84
Reward Equity	3.68	0.70	.88
Value HRM Alignment	3.62	0.73	.85
Member Commitment	3.88	0.69	.87
Cooperative Performance	3.74	0.71	.83

Note: $N = 312$. Likert scale ranges from 1 (strongly disagree) to 5 (strongly agree).

Correlation Analysis

Pearson product-moment correlation analysis was conducted to examine the relationships among the key study variables prior to hypothesis testing. The results are presented in Table 2. The analysis revealed significant positive correlations among all major variables ($p < .01$). Participative decision-making showed a strong positive relationship with member commitment ($r = .50$, $p < .01$), suggesting that cooperatives that encourage democratic participation tend to experience higher levels of member attachment. Training and cooperative education were also positively associated with cooperative performance ($r = .46$, $p < .01$), indicating that capacity-building initiatives contribute to improved organizational outcomes. Similarly, reward equity exhibited significant positive correlations with member commitment ($r = .41$, $p < .01$) and cooperative performance ($r = .35$, $p < .01$), highlighting the importance of fairness and transparency in cooperative governance. Value HRM alignment also demonstrated significant positive relationships with Participatory HRM practices and cooperative performance, suggesting that HR systems that reflect cooperative values enhance organizational effectiveness.

Table 3: Correlation Matrix of Study Variables

Variables	1	2	3	4	5	6
1. Participative Decision-Making	1					
2. Training & Cooperative Education	.45**	1				
3. Reward Equity	.42**	.39**	1			
4. Value HRM Alignment	.40**	.36**	.44**	1		
5. Member Commitment	.50**	.34**	.41**	.38**	1	
6. Cooperative Performance	.37**	.46**	.35**	.43**	.39**	1

Note: $p < .01$

Regression Analysis

Hierarchical multiple regression analysis was conducted in two stages to test the predictive influence of Participatory HRM practices on member commitment and cooperative performance. In the first stage, control variables (membership category, years of membership, and gender) were entered into the model. In the second stage, the individual dimensions of Participatory HRM practices (participative decision-making, training and cooperative education, and reward equity) were included to assess their relative contributions. To capture the systemic effect of Participatory HRM practices, a composite index of Participatory HRM practices was subsequently used in the mediation and moderation analyses. The regression results are presented in Table 3. The results indicate that participative decision-making significantly predicted member commitment ($\beta = .44$, $p < .001$), supporting Hypothesis 1. This finding suggests that cooperative members who perceive greater involvement in decision-making processes are more likely to develop stronger organizational attachment. Training and cooperative education also significantly predicted cooperative performance ($\beta = .34$, $p < .001$), confirming Hypothesis 2. This result highlights the strategic importance of capacity-building initiatives in improving cooperative effectiveness, particularly in environments characterized by leadership turnover and volunteer management.

Table 4: Hierarchical Regression Results

Variables	Member commitment(β)	Cooperative Performance (β)
Participative Decision-Making	.44***	.22**
Training & Cooperative Education	.21**	.34***
Reward Equity	.18**	.19**
Value HRM Alignment	.17*	.28***
R²	.38	.41
Adjusted R²	.36	.39
F-value	46.21***	52.34***

Note:

* $p < .05$, ** $p < .01$, *** $p < .001$

Mediation and Moderation Analysis

To further examine the underlying mechanisms linking Participatory HRM practices with cooperative outcomes, mediation and moderation analyses were conducted using the PROCESS macro (Hayes, 2018). The results are summarized in Table 4.

The mediation analysis revealed that reward equity partially mediates the relationship between Participatory HRM practices and member commitment. Specifically, the composite index of Participatory HRM practices significantly predicted reward equity, which in turn positively influenced member commitment. The indirect effect was statistically significant, indicating that perceptions of fairness serve as an important psychological mechanism through which Participatory HRM practices enhance member commitment. This finding supports Hypothesis 3. The persistence of a significant direct effect alongside the indirect effect indicates partial mediation, suggesting that reward equity explains part, but not all, of the relationship between Participatory HRM practices and member commitment.

Furthermore, moderation analysis demonstrated that value HRM alignment significantly strengthened the relationship between Participatory HRM practices and cooperative performance ($\beta = .21, p < .01$). This interaction effect indicates that Participatory HRM practices are most effective when they are aligned with cooperative values such as democratic participation, equity, and collective ownership. Therefore, Hypothesis 4 is supported.

Table 5: Mediation and Moderation Results

Effect	β	SE	t	p	95% CI
Participatory HRM Practices (Composite) → Reward Equity	.41	.05	8.12	.000	[.31, .52]
Reward Equity → Member Commitment	.29	.06	5.03	.000	[.18, .40]
Indirect Effect (Mediation)	.12				[.06, .21]
Participatory HRM Practices (Composite) × Value Alignment	.21	.07	3.14	.002	[.08, .34]

Note: Bootstrapped confidence intervals based on 5,000 resamples.

Summary of Hypothesis Testing

The empirical results provide strong support for the proposed Participatory HRM Model. Participative decision-making significantly predicted member commitment, while training and cooperative education significantly enhanced cooperative performance. Reward equity partially mediated the relationship between Participatory HRM practices and member commitment, and value HRM alignment strengthened the relationship between Participatory HRM practices and cooperative performance. Collectively, these findings demonstrate that modern Participatory HRM practices can coexist productively with cooperative principles when they are implemented in ways that reinforce democratic governance, fairness, and member participation.

Discussion

This study examined how participatory human resource management (HRM) practices influence member commitment and cooperative performance in tertiary institution cooperatives, with particular attention to the roles of reward equity and value alignment. The findings provide important insights into the conditions under which Participatory HRM practices are effective in cooperative contexts.

First, the positive effect of participative decision-making on member commitment highlights the centrality of democratic governance in cooperative organizations. While prior studies have consistently linked participation to enhanced commitment (Cotton et al., 1988;

Wagner, 1994), the present findings extend this relationship to tertiary institution cooperatives, where membership is often heterogeneous and transient. This suggests that participative decision-making is not merely a normative principle but a functional mechanism for sustaining member engagement in contexts characterized by instability.

However, this finding also nuances existing literature. While participation is generally assumed to produce uniformly positive outcomes, the effectiveness of participatory mechanisms may depend on the quality and inclusiveness of the process. In institutional environments with bureaucratic constraints, participation may become symbolic rather than substantive (Cornforth, 2004). Therefore, the results suggest that the impact of participative decision-making is contingent on how participation is operationalized in practice.

Second, the significant relationship between training and cooperative performance reinforces the importance of human capital development in cooperative enterprises. Consistent with human capital theory (Becker, 1964) and prior cooperative studies (Birchall & Simmons, 2009), the findings indicate that training enhances organizational effectiveness by improving managerial competence and operational capacity. This is particularly relevant in tertiary institution cooperatives, where leadership roles are often filled by individuals with limited professional training.

Nevertheless, the findings also point to a broader implication: training alone may not guarantee improved performance unless it is institutionalized and aligned with cooperative objectives. This aligns with recent HRM research suggesting that the effectiveness of training depends on its integration within broader organizational systems (Guest, 2017). Thus, training should be viewed as part of a coordinated HRM system rather than an isolated intervention.

Third, the mediating role of reward equity underscores the importance of fairness as a psychological mechanism linking Participatory HRM practices to member outcomes. While equity theory (Adams, 1965) has long emphasized the role of fairness in shaping attitudes, empirical evidence in cooperative contexts remains limited. The present study contributes to this gap by demonstrating that Participatory HRM practices influence member commitment indirectly through perceptions of equitable treatment.

This finding has important implications for cooperative governance. Unlike conventional organizations, cooperatives rely heavily on trust and collective participation. Perceived inequities in benefit distribution or decision-making processes can therefore have disproportionate effects on member engagement. The mediating effect of reward equity suggests that Participatory HRM practices must not only be effective but also perceived as fair to generate positive outcomes.

Finally, the moderating role of value HRM alignment represents a key theoretical contribution of the study. The results indicate that Participatory HRM practices are more effective when they are aligned with cooperative values such as participation, equity, and collective ownership. This supports arguments by Novkovic (2008) and Novkovic and Miner (2015) that governance–management alignment is critical for cooperative sustainability.

More importantly, these findings challenge the implicit assumption in mainstream HRM literature that practices can be universally applied across organizational contexts. Instead, the

results suggest that HRM effectiveness is contingent on contextual and value-based alignment. In cooperative enterprises, where identity and values are central, misaligned HRM systems may undermine rather than enhance performance.

Taken together, the findings contribute to a growing body of literature that emphasizes the contextualization of Participatory HRM practices. Rather than adopting standardized, corporate-oriented HRM models, cooperatives require participatory and value-driven approaches that reflect their unique organizational characteristics. This perspective advances both cooperative studies and HRM research by demonstrating that effectiveness depends not only on what practices are implemented, but also on how and in what context they are applied.

Conclusion and Implications

This study examined the role of human resource management (HRM) practices in shaping member commitment and cooperative performance in tertiary institution cooperatives in Nigeria, with particular emphasis on the mechanisms of reward equity and value alignment. Moving beyond conventional HRM perspectives, the study demonstrates that the effectiveness of Participatory HRM practices in cooperative enterprises depends not only on their adoption but also on their alignment with cooperative principles.

The findings make three key contributions to the literature. First, the study extends HRM research into the underexplored context of cooperative enterprises within tertiary institutions, providing empirical evidence from a developing country setting. This responds to calls for greater contextualization of HRM theories beyond corporate environments (Guest, 2017).

Second, the study advances theoretical understanding by identifying reward equity as a mediating mechanism through which Participatory HRM practices influence member commitment. This highlights the central role of perceived fairness in member-based organizations, where trust and collective participation are critical for sustainability.

Third, the study provides evidence for the moderating role of value HRM alignment, demonstrating that Participatory HRM practices are more effective when they reflect cooperative values such as democratic participation and equity. This finding contributes to the ongoing debate on the transferability of HRM models across organizational contexts by showing that alignment with organizational identity is a key determinant of effectiveness.

From a practical perspective, the findings suggest that cooperative leaders and policymakers should move beyond the adoption of generic Participatory HRM practices and focus on designing context-sensitive systems that reinforce cooperative values. Participatory governance structures, continuous cooperative education, and transparent reward systems are essential for strengthening member commitment and improving organizational performance.

The study also has policy implications for tertiary institutions and regulatory bodies. Institutional support mechanisms such as training programs, governance frameworks, and technical assistance can play a crucial role in enhancing the managerial capacity of cooperatives without undermining their democratic foundations.

Despite these contributions, the study has limitations. The cross-sectional design restricts causal inference, and the focus on a single state may limit generalizability. Future research could

adopt longitudinal designs and expand the geographical scope to provide deeper insights into the dynamics of Participatory HRM practices in cooperative enterprises. In addition, qualitative approaches could complement quantitative findings by exploring how members experience Participatory HRM practices in different cooperative contexts. Additionally, although procedural and statistical remedies were applied, the use of self-reported data may still introduce common method bias. Future studies could address this limitation by collecting data from multiple sources or using longitudinal designs.

Therefore, this study underscores the importance of aligning management practices with organizational values in cooperative enterprises. By demonstrating that HRM effectiveness is contingent on value congruence, the study contributes to a more nuanced understanding of how people management systems operate in alternative organizational forms.

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