

# Youth Engagement in Cooperatives: Perceptions, Barriers, and Opportunities for Innovation

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## ABSTRACT

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Youth involvement in cooperatives is an important issue that remains underexplored in the context of inclusive economic and social development. This research aims to explore the perception of youth towards cooperatives, identify obstacles that hinder their participation, and explore opportunities for innovation to revitalize the cooperative movement. Using an exploratory qualitative approach, this study involved interviews, observations, and document analysis of 50 youth from 10 cooperatives in three provinces in Indonesia. Thematic analysis, conducted with the help of NVivo 14, revealed that the majority of youth view cooperatives as an outdated entity, offering fewer career opportunities and a lack of innovation. However, a small minority sees cooperatives as a potential platform for social entrepreneurship and community innovation. The main obstacles identified include rigid organizational structures, a lack of career development programs, and weak communication regarding the modern relevance of cooperatives. This study recommends that cooperatives undertake structural and strategic reforms by integrating digital innovations, strengthening entrepreneurship programs, and implementing a youth-centered participation model. This transformation is essential not only to attract the interest of the younger generation but also to maintain the sustainability and relevance of cooperatives in an era of rapid socio-economic change.

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## 1. INTRODUCTION

The issue of gender inequality in economic and social leadership remains a significant challenge globally. Although the movement towards gender equality continues to make progress, data from the World Economic Forum (2023) shows that only 22% of business leadership positions are held by women. In the context of the social economy, particularly cooperatives, women's representation in decision-making structures is also low, despite cooperatives often being seen as an inclusive and democratic model.

A report by the International Labour Organization (ILO, 2022) revealed that women who lead social cooperatives tend to bring a more participatory and community-oriented managerial approach. In many countries, such as Spain and India, women-led cooperatives demonstrate higher levels of member participation and broader social impact compared to traditional cooperatives. However, they still face structural barriers such as cultural gender bias and limited access to financial resources.

In practice, gender dynamics in cooperative governance continue to exhibit a pattern of symbolic exclusion, where women's involvement is often limited to administrative or social activities, while strategic decisions remain dominated by men. This phenomenon raises a critical question: to what extent does women's

leadership in cooperatives influence governance practices and social innovation? This research aims to provide a comprehensive answer to this question.

Several previous studies have explored women's contributions to social entrepreneurship and cooperatives, including the research by Sarkki et al. (2024), which found that women-led social innovation initiatives can enhance gender equality in rural communities. Another study by Costantini & Sebillio (2022) also revealed enabler and barrier factors in women's empowerment through social cooperatives. Still, this study has not focused on the internal dynamics of cooperative governance.

Although numerous studies have examined the role of women in the socio-economy, very few explicitly investigate gender interactions in cooperative governance structures, particularly those led by women in social-based cooperatives. This research fills the gap by examining how gender dynamics are formed, maintained, or countered in daily cooperative management practices (Sarkki et al., 2021; Rosca et al., 2020).

The urgency of this research lies in the global momentum to mainstream gender in all aspects of economic development. By understanding the internal mechanisms in women's cooperatives, more effective policy interventions can be designed to strengthen gender inclusion at the community and microeconomic levels. This is in line with Sustainable Development Goals (SDG) 5: Gender Equality.

The novelty of this research lies in its qualitative approach, which involves narrative analysis of gender dynamics in women's social cooperative councils, as well as the application of a governance lens to map power relations in a micro manner. This differs from previous quantitative studies, which only measured representation without exploring women's subjective experiences in decision-making.

This research aims to understand the dynamics of gender-based power in the governance of women-led social cooperatives, explore the challenges they face and the adaptation strategies they develop, and identify the specific contributions of women to innovations in more participatory and inclusive governance.

This study makes a theoretical contribution to the literature on gender and organizational governance, as well as a practical contribution to the development of a cooperative model based on gender inclusion. In addition, the results of this research will be helpful for policymakers and institutions promoting women's economic empowerment in designing programs that are more responsive to the needs of women actors in cooperatives.

The implications of this research are expected to encourage the reformulation of cooperative policies that integrate the principles of gender equality substantively, rather than merely procedurally. In addition, this research can be a reference in developing capacity building programs for women in cooperative leadership positions, strengthening a more equitable and sustainable socioeconomic ecosystem.

## 2. METHOD

This study employs an exploratory qualitative approach to gain a deeper understanding of the perceptions, obstacles, and innovation opportunities related to youth involvement in cooperatives. This approach was chosen because it aims to explore the subjective meanings shaped by the experiences and social interactions of informants. The study population consisted of cooperatives in Indonesia that had youth membership programs or actively recruited members aged 18–35. The sample was taken using purposive sampling techniques, with the criteria that the cooperative has been operating for at least five years, has more than 20% youth members, and runs a community-based innovation program. A total of 10 cooperatives from three provinces were selected to represent geographical variations and cooperative sectors (agriculture, services, and creative). The research informants include the chairman of the cooperative, active young members, and the management of the youth program in the cooperative.

The primary data collection instrument is a semi-structured interview guide, developed based on a review of the previous literature on youth engagement and innovation in cooperatives. To ensure validity, a content test of the instrument was conducted through an expert review involving two academics in the fields of cooperatives and youth development. In addition, data triangulation was conducted through a combination of in-depth interviews, participatory observations of cooperative activities, and analysis of internal documents, including annual reports and youth work programs. Reliability tests are carried out through trial audit techniques, by systematically documenting all data collection and analysis processes to ensure traceability. Data was collected over three months through field visits and online platforms for hard-to-reach areas.

The collected data was analyzed using NVivo 14 software. The analysis technique used is thematic analysis based on six steps by Braun and Clarke (2006): (1) familiarization with data, (2) initial coding, (3) theme search, (4) theme review, (5) theme definition and naming, and (6) narrative report preparation. This procedure is carried out iteratively to maintain the depth of interpretation and ensure that the themes that emerge truly represent the complexity of youth involvement in cooperatives. The researcher also conducts

critical reflection during the analysis to minimize interpretation bias. The final output consists of thematic findings that describe perceptions, key barriers, and innovative strategies to encourage sustainable youth participation in cooperatives.

### 3. RESULTS AND DISCUSSION

#### Research Data Presentation

This study analyzed the perception of 50 youth who are members or prospective members of cooperatives in three provinces in Indonesia. The survey results indicate that the dominant perception of cooperatives is as a less innovative entity (70%) and one that is less conceptually understood (80%). The graph above shows the distribution of youth perceptions of cooperatives, with the aspect of "Lack of Understanding of Cooperatives" being the most significant issue. Here is a breakdown table:

Perception Aspect	Number of Youth (n=50)
Cooperatives Less Innovative	35
Lack of Career Opportunities	30
Lack of Understanding of Co-operatives	40
The Potential of Cooperatives as Social Innovators	20
Cooperatives as Entrepreneurial Alternatives	25

Data analysis reveals that negative perceptions of cooperative innovation are the primary obstacles to attracting youth participation. Many people associate cooperatives with conservative, non-dynamic organizations that offer fewer career growth opportunities. On the other hand, a small number of respondents identified the potential of cooperatives as a space for social innovation and community entrepreneurship.

This indicates that the narrative about cooperatives among the younger generation remains fragmented and poorly communicated strategically. Cooperatives that want to attract young members need to transform their image from a traditional organization to an innovative platform that resonates with the aspirations of the digital generation.

#### Data Interpretation

Data interpretation reveals a gap in information and expectations between the younger generation and the current cooperative model. The perception that cooperatives do not offer sufficient career opportunities reflects the lack of innovation in developing young talent within cooperative organizations.

Furthermore, the lack of understanding of cooperative principles highlights the need for reform in cooperative education, both at the community level and within the formal education system. Experiential learning is considered more effective in building a deep understanding of the role of cooperatives in social and economic development.

One important finding is that cooperatives offering innovative programs, such as digital-based entrepreneurship training and community-based social projects, are more successful in attracting young members. Youth are more motivated to join cooperatives that provide space for self-actualization and innovation.

On the other hand, cooperatives that still maintain a rigid bureaucratic structure and lack of creative space have difficulty retaining young members. This makes clear the importance of structural and programmatic innovation in attracting and sustaining youth involvement in cooperatives.

#### Discussion: Youth Perception, Barriers, and Innovation Opportunities

##### Youth Perception of Cooperatives

Most respondents in this study view cooperatives as institutions that have experienced a decline in relevance, particularly in the context of the digital economy's development and the emergence of new business models, such as technology-based startups. This perception arises from the view that cooperatives have rigid organizational structures, are slow to adapt to market changes, and do not offer progressive and flexible career paths. The younger generation growing up in the digital economy ecosystem tends to look for organizations that are dynamic, open to new ideas, and provide opportunities for innovation and rapid growth, something they often do not find in traditional cooperatives.

However, it is important to note that not all youth perceptions of cooperatives are negative. A small number of youth see the great potential of cooperatives as a platform for social innovation, especially in the context of a community economy that focuses on local food, renewable energy, and community based creative

industries. For this group, cooperatives are viewed not just as economic institutions, but also as a collective space to empower communities and develop sustainable business models. This indicates that there remains a significant opportunity to restore and strengthen the cooperative's image in the eyes of young people, through a strategic communication approach and the development of innovative programs that are more responsive to their needs and aspirations.

### **Structural Barriers to Youth Participation**

The most significant structural barrier found in this study is the lack of opportunities for youth to develop professionally within cooperative structures. Most of the cooperatives surveyed still adopt traditional management models that are hierarchical and do not provide enough room for new ideas from young members. The inability of cooperatives to offer a clear, flexible, and innovative career path is a significant reason why many youth feel less motivated to join and participate actively.

In addition, the negative perception inherent in cooperatives as "old" organizations that are resistant to change further exacerbates the situation. For the younger generation, accustomed to rapid change and adaptive startup cultures, the stagnant cooperative model is considered unattractive. These barriers highlight the need for internal structural reforms within the cooperative, including adjustments to leadership styles, the development of youth-specific programs, and the creation of more collaborative and agile participatory spaces. Without these updates, cooperatives risk losing the regeneration potential of their members, that are so much needed for long-term sustainability.

### **Innovation Opportunities for Cooperative Revitalization**

This research reveals that cooperatives have a great opportunity to transform into an attractive innovation platform for youth through the use of digital technology and community-based approaches. For example, the adoption of digital platforms to manage memberships, e-commerce-based marketing systems, and community crowdfunding schemes can make cooperatives more responsive and competitive in the digital age. Technology can also be utilized to expedite decision-making processes, enhance organizational transparency, and broaden the reach of cooperatives into new market segments.

In addition, the design of innovative programs, such as entrepreneurial incubators in cooperatives, is one of the key strategies to attract young people. These incubators can provide real opportunities for young members to develop socially based business projects, get mentorship from senior members, and expand their professional networks. Cooperatives that can play a role as an ecosystem of learning and innovation will be better able to maintain the relevance and regeneration of their members. Collaboration with local startup ecosystems, universities, and creative communities can also enhance the positioning of cooperatives as a hub that fosters innovation and cross-generational collaboration.

These findings align with a study by Dongre et al. (2020), which found that campus-based cooperatives can significantly increase youth engagement through innovative program approaches. However, compared to the study by Muchara & Chiguware (2024), which emphasizes the aspect of access to capital, this study highlights the importance of internal perception and innovation as key determinants of youth participation.

In addition, this study expands the understanding from Yami et al. (2019) on the importance of building a new cooperative identity that is more relevant to the values of the younger generation, such as sustainability, digital collaboration, and social empowerment.

Theoretically, the results of this study support the Social Identity Theory (Tajfel & Turner, 1979), which emphasizes that individuals are more likely to join organizations that reflect their aspirational identity. Therefore, cooperatives need to build a new image that resonates more with the progressive values of the younger generation.

These results are also consistent with the Theory of Planned Behavior (Ajzen, 1991), which suggests that attitudes towards cooperatives, subjective norms, and perceptions of control have a strong influence on the intention of youth to join. Improving perceptions and lowering barriers will increase the probability of their participation.

### **Practical Involvement**

The practical implication of this research is that cooperatives need to transform their organizational structure, managerial approach, and public communication strategies. Special programs for youth capacity building, the creation of innovative participation spaces, and the strengthening of cooperative identity as social innovation platforms must be top priorities.

In addition, strengthening cooperation with universities, startups, and local social incubators can be an effective strategy to integrate the younger generation into future cooperative movements.

#### 4. CONCLUSION

This study concludes that youth involvement in cooperatives still faces significant challenges rooted in negative perceptions, internal structural barriers of cooperatives, and a lack of innovation relevant to the aspirations of the younger generation. Youth tend to view cooperatives as less innovative entities and offer fewer career development opportunities than other modern business organizations. Nevertheless, cooperatives still have great opportunities to attract the participation of the younger generation through digital technology-based innovations, entrepreneurship empowerment programs, and strengthening their identity as a platform for community social and economic innovation. These findings indicate that cooperatives must undertake structural and strategic transformations to adapt to the values of the younger generation, such as flexibility, collaboration, sustainability, and personal growth.

For further research, it is recommended to conduct a longitudinal study to explore changes in the perception and level of youth involvement in cooperatives in line with the implementation of innovation programs. Broader quantitative research involving cooperatives from different economic sectors and geographical areas is also needed to enrich the understanding of the dynamics of young generations' involvement in cooperatives. In addition, intervention studies examining the effectiveness of digital-based innovation and career development programs in increasing youth participation will be an important contribution to future cooperative literature and practice.

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