

Participative Schemes and Management Structures of Ghanaian Co-operatives

Dr K A Ofeil

Over the past few decades the economy of Ghana has changed tremendously. This has involved the liberalisation of the economy and the introduction of structural adjustment programmes. Co-operatives now operate in a competitive economy in contrast to the days they had been operating, as monopolists in planned economy. A key objective of the study was therefore to find out what notable organisational changes the co-operatives have undergone. Most of the co-operatives have not departed away from the classical model of co-operatives whereby Management Committee itself takes over day to day operations of the co-operatives. This represents a stage of development in which co-operatives are seen as self-help.

Introduction

Co-operatives have been in Ghana since the 1920s and in spite of their numerous problems there is still a great deal of interest in them. This interest in co-operatives in developing countries comes from the realisation that as socio-economic organisations, co-operatives can be used to mobilise the resources of small scale businesses for development. Hence, in development theory and practice, a number of roles were therefore assigned to co-operatives. Co-operatives were to offer the institutional framework through which local communities could gain control of the institutional and productive activities from which they derive their livelihood.

Co-operatives illustrate how small and medium scale enterprise (SMEs) can co-operate in a number of activities to enhance their development. Co-operatives therefore, provide the bases for farmers, trade artisans and craftsmen to set up their own production estates and manage them by themselves. For these small producers the co-operative enterprise becomes a receptacle for embracing the opportunities offered by economic growth in the country. Through group action individual entrepreneurs can pull their resources together to acquire new technology and realise the economies of large-scale production and management of new ventures. (Benecke 1972, Bergman et al 1980)

The attraction of co-operatives as an instrument for the development of small scale business stems from their character as a self-help and self-managed organisation. Co-operatives are considered as self help and self-managed organisations because their members are owners/managers and at the same time patrons/workers of the enterprise. In co-operative theory, it is anticipated that

members' participation in decision-making within the co-operative would lead to their overall control over the affairs of their organisation (Henzler, 1957). This would then ensure that they are able to set its goals and determine the direction of its operations in order that the prime objective of co-operatives, namely, the promotion of their members' interests is realised. This is achieved through their participatory schemes. The Participatory Scheme refers to structures and processes along which participation takes place in co-operatives. It represents the structural relationship between members of the co-operatives and their organisations. This relationship comes from the fact that co-operatives members are both owner/managers and patrons or workers of their organisation (Davis 1995).

Purpose/objectives of the article

The interest of this study is to examine the participatory schemes and management structures of co-operatives in Ghana. Our interest comes from a number of reasons. In Ghana, co-operatives were first introduced in the 1928. This was based on British colonial pattern of co-operative legislation developed in India around 1900 and later became known as the "classical British-Indian Pattern of Co-operation" (Munkner 1995). Though there were subsequent reviews of the co-operative laws in 1937 and in 1968, the classical British India pattern of co-operative left a legacy of a co-operative organisation system with two major decision groups are foreseen. They are:

- The general body of members, the membership group.
- The management committee.

The membership group, that is general body of members, is the “policy making” body in co-operatives. They therefore have the ultimate authority in the affairs of the co-operatives.

Over the past few decades the economy of Ghana has changed tremendously. This has involved the liberalisation of the economy and the introduction of structural adjustment programmes. Co-operatives now operate in a competitive economy in contrast to the days they had been operating, as monopolists in planned economy. These developments lead to a number of questions for the development of co-operatives in Ghana. What notable organisational changes have the co-operatives undergone and are new organisational models for co-operatives being created? The issues raised above are significant since they touch on the ability of co-operatives to adjust to the new competitive environment given their structural forms and management practices.

Though co-operatives may be seen as democratic organisations they are also business organisations, no matter how they accord with principles of co-operation they are fundamentally a response market opportunities and conditions. Market opportunities lead to innovations in organisational design. Organisational practices also represent strategies of control that serve to legitimate structures of command and often employ cultural understandings in doing so. For instance, the modern industry in Ghana consists of institutions competing with foreign firms. These require the applications of scientific methods for long range planning, data collection, decision making. They also need to develop innovative strategies to meet the challenges of the market. Furthermore, growth of such institutions ushers in certain bureaucratic tendencies, for instance, formalisation of activities, division of labour and decentralisation of managerial authority and coordination of management process. This means there is the need for the adoption of sound organisational and management practices that would lead to innovation and efficient performance in co-operatives.

The aim of this research, therefore, is to conduct a comparative study of the different types of co-operatives in Ghana. Specifically, the objectives of this research are as to:

1. Identify the types of co-operatives in Ghana.
2. Identify the properties of the participatory schemes in the co-operatives. That is, the

structures and processes along which participation take place in co-operatives.

3. Examine existing management structures of the co-operatives.
4. Determine the patterns of organisational development in the co-operatives.

Theoretical perspectives on trends in the development of co-operatives

The ways and means co-operatives institutions have managed to adjust to their environment have engaged the attention of co-operative theorists since the emergence of these organisations. This has come about through the modification of the participatory structures of co-operatives. In order for us to examine this development, it is first essential for us to examine the nature of the classical co-operative model.

Young et al (1981, p8) have described the co-operative experiences in market economies as follows:

A life cycle is clearly discernible in the well-established co-operatives of the industrial world. In the beginning, a burst of moral energy was captured by the new institutions. Participation in the early phase was high: mundane execution of economic tasks is invested with purpose. However, once successfully launched, the very effectiveness of the co-operatives in filling an economic niche creates a new set of imperatives. To survive the co-operative must become efficient While co-operatives are an ethos, efficiency is an incubator of technocracy. ... The implications of this simple fact are many. As co-operatives achieved a certain scale, they could no longer be directly managed by their members, but had to hire specialised management staff. Armed with the efficiency criterion, the managerial cadres tended to enlarge their role, while representative organs of the co-operatives tended to atrophy; the ‘iron law of oligarchy’, detected by Robert Michel’s in labour unions and socialist parties had its analogues in the co-operatives. As co-operatives became institutionalised, they became primarily economic agencies operated by specialists as managers under the discipline of the market, with effective member participation only a residual phenomenon, and the matrix of co-operative principles a mere theoretical penumbra.

The traditional/classical structure

The basis from which co-operatives have developed comes from the classical or the ideal co-operative model. In classical or ideal co-operatives model, the participatory structures recognised two major decision groups (Munkner, 1995). They are:

- The general body of members, the membership group.
- The management committee.

The membership group, that is general body of members, is the “policy making” body in co-operatives. They therefore have the ultimate authority in the affairs of the co-operatives. In this type of co-operative, management committee itself takes over day to day operations of the co-operatives. The duties of the secretary to the co-operatives are to carry out the instructions of the management committee. The following features characterised this type of co-operative (Nilsson 2003; Munkner 1995)

- In such co-operatives, the social cohesion of members, their feeling of group solidarity, their interest in active participation and their readiness to accept the equal status of “one member - one vote”.
- As a direct result of the rule of self-government combined with democratic management and control in co-operative organisations, all office bearers of co-operatives societies have to be elected by the members from among themselves.
- Still another rule of co-operative organisation is the limited term of office for persons serving on governing bodies of co-operatives.
- By this rule it is intended to offer many members the chance to play an active role in the societies’ affairs (rotation of offices) and to prevent persons from turning their position in the governing body of a co-operative society into a long term personal power base.
- According to the “standing down rule”, persons elected to serve as office bearers for a limited term of office (say two or three years) can only be re-elected twice and then have to step down for at least one year before they can stand for re-election.
- This common bond is based on parish, community, occupation and ethnic

membership. Business at this stage is strictly membership trading.

Modifications of the classical co-operatives rules of operation can be observed mainly in the following areas (1995):

- a. Participative schemes.
- b. Reduced role of members.
- c. Enhanced role of management.
- d. Focus on economic efficiency of the co-operative enterprise.
- e. Role of employees in co-operative enterprise.

a. Trends in the development of the participative schemes

The participative scheme in a co-operative suggests two forms of participation in decision making: direct participation and indirect participation through elected representatives. From the two forms of participation have evolved two corresponding management structures in co-operatives. Cornforth et al (1988) has described them as “collective” and “representative democracies”.

According to Cornforth et al (1988), the only structure in the collective model is “the general meeting of all members”. The general meeting of all members is also the only legitimate authority in the co-operatives. The representative democracy management structure has also been described as “dual structure” co-operatives. This is because it consists of both the general body of members and a managerial component, the management committee. The representative democracy management structure contains an explicit formal structure in which tasks are assigned to members and their main areas of responsibilities delineated. Cornforth et al (1988) has pointed out that this is an attempt to shape the process of power and influence in co-operatives.

The development from direct participation to representative democracy is associated with a number of problems. It may bring about division of labour and role specialisation in co-operatives. This in turn may lead to greater functional differentiations both produce structures which may have negative effect in democratic control in co-operatives.

The exercise of the will of members can also occur through an administrative component in the co-operatives. The administrative component is the hierarchical structure of full

time officials for the implementation of the policies of the co-operatives. It is that part of co-operatives changed with coordinating facilities and supporting the activities of the rest of the organisation. This consists of all administrative, clerical, technical, professional employees of the co-operatives. It also makes the co-operatives a hybrid of an organisation. This is because it gives it both the legal-rational elements of a bureaucratic organisation and a democratic management structure (Macdonald/Malcolm, 1978). In this situation, the management Committee is able to exercise influence downward through the administrative component whilst members continue to express their will, upwards through their representatives.

In general, it has been observed that developments in the market economies of Western Europe have set new imperatives for the development of co-operative institutions. (See for example, Holmen, 1990) As capitalism matured and market conditions changed, co-operative enterprises were forced to adjust to their compelling demands. The presumed character of co-operatives as an organisation based on the common bond and mutual aid between members gave way to legal rational relations. Co-operatives gradually accepted the existing private-capitalist market economy and conceived themselves as merely corrective institutions within it (see for example, Mellor et al, 1988). During the last decade or so, many co-operatives have undergone notable organisational changes. Most obvious are the changes in the financing, governance and member-trade conditions (Nielsen 2003). Hence, new organisational models for co-operatives have been created. Often hybrid forms have been created, as the co-operatives have adopted characteristics of private sector firms. At the same time, some co-operatives keep to their roots, remaining collectively organised and monitored.

b. Reduced role of members

Continuous drives for mergers and concentration have brought about large co-operatives both in terms of membership and volume of business. The membership in these large co-operative societies is composed of heterogeneous sub-groups, residing in different areas (eg the former membership groups of amalgamated co-operatives) belonging to different socio-economic strata and having different economic weight.

In such co-operatives, the social cohesion of members, their feeling of group solidarity, their interest in active participation and their readiness to accept the equal status of "one member - one vote" are fading. Co-operative leaders and subsequently the lawmakers have reacted in two ways to these trends: They include the reduction of the obligations of members to a symbolic minimum (small share contributions, no additional liability for the debts of the society), as well as members' rights by replacing the general meetings of members by meetings of delegates.

c. Enhanced role of management

As a direct result of the rule of self-government combined with democratic management and control in co-operative organisations, all office bearers of co-operatives societies have to be elected by the members from among themselves. This means that when electing leaders to govern co-operative organisations, the choice of the co-operators is restricted to persons who are members. According to this rule the co-operatives cannot choose the best person for the job but have to be satisfied with the best person available among its membership.

Still another rule of co-operative organisation is the limited term of office for persons serving on governing bodies of co-operatives. By this rule it is intended to offer many members the chance to play an active role in the societies' affairs (rotation of offices) and to prevent persons from turning their position in the governing body of a co-operative society into a long term personal power base.

According to the "standing down rule", persons elected to serve as office bearers for a limited term of office (say two or three years) can only be reelected twice and then have to step down for at least one year before they can stand for reelection. All these rules were made to ensure that members remain in control of the affairs of their co-operative society and that the office bearers remain dependent on the members' confidence in them.

Where co-operative societies entered the market and had to face the competition of commercial firms, the initial operative units of co-operative societies had to be transformed into co-operative enterprises in order to survive on the market. The change from a simple operative unit run by an honorary management committee and an employed manager into fully

fledged, professionally run co-operative enterprise has brought about changes which strongly affect the organisational set up of co-operatives.

The committee of management turned into a board of directors and the honorary secretary into professional manager. Co-operative leaders are expected to have business skills and experience. Accordingly, the term of office of board members had to be extended. Elected board members who are expected to undergo training and to be readily available for the increasingly demanding work on the board of directors, have to receive some kind of remuneration for their work.

As a next step, the professional managers or full time directors were appointed or elected to serve on the board and where such professional managers could not be found among the members, either non-member were appointed for the sole purpose of being eligible to serve on the board.

d. Focus on economic efficiency of co-operative enterprises

He overriding concern of Modern Professional co-operative is to guarantee the economic and financial stability of the co-operative enterprise and its institutional efficiency, to secure work places for employees and to increase their capacity to compete, grow and to defend the market share (Ansche 1969). In order to reach these economic objectives, the professional directors and managers are looking for new sources of income (business with non members) and new sources of capital (shares from investor members)

Professional directors and managers assume the position of trustees, acting on behalf of the members. Provisions governing the powers and responsibilities of board members of co-operative societies need to be adjusted accordingly. It is said that the board members run the affairs of the co-operative society in their own responsibility and are only bound by the provisions of the co-operative law and the by-laws (but not only by the decisions of the members in the general meeting). In Germany, their liability has been adjusted to that of the directors of companies (section 34 of the German Co-operative Societies Act)

e. The role of employees in co-operative enterprise

If employees of co-operatives are non-members, they are not eligible under

co-operative law to serve on the governing bodies of co-operatives. Their interest in securing the work place and favourable working conditions can come into conflict with the ordinary members' interest in receiving services at best possible conditions from the co-operative enterprise.

The discussions above illustrate the dynamics of change within co-operatives. They indicate that for co-operatives to survive in a competitive market its mode of organisation has to be altered. In this regard its participative scheme has been the basis for change. This has included a restructuring of the role of membership and the management structure in the co-operatives. The changes have also involved a relaxation of co-operative philosophy and ideals and professionalisation of the management to achieve cost efficiencies and scale economies owing to asset growth and competition in the market.

Research methods

The Sample

This report is based on a study of 52 agricultural, industrial and service co-operatives in Ghana. The sample included co-operatives operating in nine different economic sectors. These co-operative sectors were: gin distillers (10), taxi drivers (10), salt winners (3), tie and dye (1), block makers (2), rattan weavers (1), herbalists (1), grain millers (2), electrical workers and co-operative produce marketing (19).

Three approaches were adopted for the selection of the sample for the study. For the taxi co-operatives and distillers, a random selection of ten co-operatives was made from each group. From the remaining co-operatives, our only choice was to select the total number of co-operatives available in their respective industrial field.

Altogether three types of co-operatives were studied, namely; the service co-operative (48), co-operatives contracting member's labour (3) and collective co-operatives (1). The service co-operatives are co-operatives aiding independent craftsmen with services. This means that the activities of service co-operatives are restricted to market oriented functions such marketing, supply and provision of credit. These are loose federated systems of co-operatives in which the membership comprises independent groups or individuals and their family businesses.

Only one co-operative, the herbalists,

conform to the classical worker co-operatives based on the collective ownership of a production facility where members work together. The three electrical co-operatives can be distinguished from the herbalists' co-operatives, because of their aim to contract or hire members' labour for income.

Variables and their measures

There were, three classes of variables, namely:

1. Properties of the participative schemes and management structures in the co-operatives
2. The Administrative Component
3. Contextual Variables of the Co-operatives

Properties of the participatory schemes and management structures in the co-operatives

This is to identify the attributes of the pattern of authority and functional relational between the co-operatives members. The variables used here are based on previously established dimensions of participative organisation in literature. [Rosner 1980, 1983, Pugh et al 1968, Dachler/Wilpert 1978]

A dimensional approach is adopted so that we can develop different profiles of co-operatives and specify the areas in which their systems of self-management differ.

The participative scheme represents the hierarchical structure of the co-operatives organisation and provides the structures in which participation takes in the co-operatives. It is measured in terms of:

- a. Form of representation; this was described as direct or indirect participation. The objective of this measure is to determine the nature of the access to decision making in the co-operatives.
 - I. Direct participation is the personal and immediate involvement of members of the co-operatives in decision making.
 - II. Indirect form participation represents a mediated involvement of members through elected representatives.
- b. Size of the Management Committee; a count of the number of elected members in the management committee.
- c. Role specialisation and division of labour; the distribution of official duties among a number of positions. A function is considered specialised when it is performed by one or more persons as full time. Hence, the measure involves a count of the number of

roles in the management committee and the number of sub committees set up to deal with special issues.

The administrative component

The administrative component is the hierarchical of full time officials for the implementation of the policies of the co-operatives. According to Champion, the administrative component is "that part of an organisation charged with co-operating, facilitating and supporting the activities of the rest of the organisation". Champion 1975) it consists of all administrative, clerical, technical, professional and kindred employees of the association referred to as "staff".

- a. Size of the Administrative Component; number of people working as staff in the co-operatives.
- b. Number of hired workers; number of non members employed in the administrative component.
- c. Percentage of hired labour; Percentage of hired workers out of a total number of staff in the administrative component

Data collection methods

Information was collected from members of the management committees of the co-operatives. Documentary information on the co-operatives was also helpful. The writers personal experiences of working with the Ghanaian co-operatives over the past thirty years was also helpful for the study,

Results of the study

Our discussions on developments in the co-operatives suggested that the participative scheme of the co-operative have provided the key basis for the structural development in the co-operatives. The Participatory Scheme as we pointed out earlier refers to structures and processes along which participation takes place in Co-operatives.

To analyse the participative schemes and the management structures of the co-operatives, the following variables were used; Form of Participation size of the Management Committee, role of Specialisation and Division of labour. Table 1. provides information on the structural characteristics of the participatory schemes in the co-operatives.

Only two co-operatives, the electrical workers, subscribed to Cornforth's ideal type

“collective” co-operatives. The rest of the co-operatives exhibited the indirect form of participation. They can, therefore, be described as “dual structure” co-operatives or representative democracies.

In the two collective co-operatives, the only specialised role in the two electrical co-operatives was that of the President of the society. He leads in the negotiations for contracts, and assign tasks to other members. He also acts as the society’s secretary by making recordings in their books. Since members of the two co-operatives had similar skills in radio and electrical engineering. Several tasks were rotated amongst them.

In the “dual structure” co-operatives, the size of the management committees ranged from 7 to 11. The number of members seemed to be

related to co-operative industry groups. The Taxi Drivers and the Salt Winners co-operatives had the largest number of elected officers, eleven each, in their management committees. In the agricultural co-operatives the standard number was seven. This number has been the norm with the agricultural co-operatives irrespective of size.

In most of the co-operative, the major roles in the management committees were the tripartite role President and Treasurer. These were the basic role prescribed in the co-operative model bye-laws. The Taxi Driver co-operatives had more specialised roles. They had created specialist positions which included the President, Treasurer, Chief Driver and Welfare Officer. In addition, they had established two permanent sub-committees, the Disciplinary

The Co-operatives	Size of the Management Committees	Size of the Administrative Component	Form of Representation	No of Hired Labour	Per cent of Hired Labour	Role Specialisation
Gin Distillers	7	4	2	4	100	6
Taxi Drivers	11	1	2	0	0	8
Rattan Weavers	7	1	2	0	0	4
Grain Millers	7	1	2	0	0	4
Block Makers	11	1	2	0	0	4
Gin Distillers	7	1	2	1	100	4
Herbalists	7	4	1	3	75	5
Salt Winners	0	1	2	0	0	6
Electrical Workers	9	1	2	0	0	1
Electrical Workers	7	1	2	0	0	3
Taxi Drivers	11	1	2	0	0	8
Taxi Drivers	11	1	2	0	0	8
Taxi Drivers	11	1	2	0	0	8
Gin Distillers	7	1	2	2	100	4
Gin Distillers	7	1	2	0	0	4
Tie and Dye	7	1	2	0	0	4
Gin Distillers	7	1	2	0	0	2
Gin Distillers	7	2	2	3	100	4
Gin Distillers	7	2	2	1	100	3
Gin Distillers	7	1	2	2	100	3
Gin Distillers	7	3	2	1	100	4
Gin Distillers	7	1	1	1	50	4
Electrical Workers	0	2	2	0	0	0
Block Makers	7	1	2	0	0	4
Grain Millers	7	1	2	0	0	4
Taxi Drivers	11	1	2	0	0	8
Taxi Drivers	11	1	2	0	0	8
Taxi Drivers	11	1	2	0	0	8
Taxi Drivers	11	1	2	0	0	8
Taxi Drivers	11	1	2	0	0	8
Taxi Drivers	11	1	2	0	0	8
Agricultural Co-operatives	7	1	2	3	NA	4
Mean	8.0	1.3	1.9	0.6	26.6	5.1
Standard Deviation	2.9	0.8	0.2	1.1	43.3	2.4

Table 1

and Transport committees. The most striking of the differences between the co-operatives, however, is role specialisation in the co-operatives. These differences are shown in Table 2. Out of these roles, the positions of Chief Driver and Welfare Officer were the most innovative. Traditionally, a chief driver was an esteemed position offered to a person who has acquired considerable experience and respect as a driver. In the days when trade unions were not prevalent in Ghana, this person became the unofficial leader of the drivers. The chief Driver, as in the former days, gives his expert opinion on technical issues, resolves disputes among drivers and gives them guidance. The function of the Welfare Officer is to take charge of matters affecting the welfare of the members; for instance, attendance at funerals of deceased members and their relatives and the giving of donations to bereaved families on behalf of the society.

The disciplinary committee was established to ensure order in the co-operatives. Drivers were expected to conform to some rules which included proper treatment of passengers, no drunkenness whilst driving and proper dressing.

The aim of this code of practice was to enhance the image of the Drivers co-operatives and distinguish them from their rivals from the Trade Union.

The Transport Committee handled technical problems relating to drivers' operations this included the legal aid for drive involved in traffic offences, and maintenance of order at taxi ranks.

The taxi drivers' co-operative exhibited different forms of role specialisation. Role specialisation has occurred within the management committee instead of the administrative component. Unlike the Taxi Drivers, the Gin Distillers co-operatives have kept the size of their management committees to the minimum of seven required for their establishment. However, they have created new administrative roles in the form of "Checkers".

The administrative component in the co-operatives

The administrative component is the hierarchical structure of full-time officials for the implementation of the policies of the co-operatives. They are appointed by the

Managerial Roles	Gin Distillers	Taxi Drivers	Rattan Weavers	Grain Millers	Block Makers	Herbalists	Salt Winners	Tie & Dye	Electrical Workers	Agriculture co-ops
President	+	+	+	+	+	+	+	+	+	+
Vice President	+	+	+	+	+	+	+	+		+
Treasurer	+	+	+	+	+	+	+	+		+
Assistant Treasurer							+			+
Chief Driver	+									
Welfare Officer	+									
Transport Committee	+									
Disciplinary Committee	+									
Administrative Component										
Secretary	+	+	+	+	+	+	+	++		+
Clerks	+									
Checkers	+									

Table 2 Managerial Roles in the Co-operatives

management committee and governed by the rules of the bye-laws.

The model bye-laws recognise the secretary of the society as the head of the administrative component. His duties are:

- To keep accounts of the society.
- To summon and attend meetings as directed by the committee.
- To prepare financial statements.
- To record proceedings of the meetings.

The administrative component is considered as an outcome of the representative management system in self-managed organisations.

To study such characteristic features of the administrative component in the co-operatives, we considered the following structural variables:

- The size of administrative component: this is a count of number of people working in it.
- Number of hired labour; a count of the administrative staff who are non members.
- Percentage of hired labour in the administration.

Information on the size of administrative component and the number of hired labour was obtained from the President and Secretary of the society. The accuracy of the information was ascertained from the records of each co-operative.

Table 3 contains information on the three variables. The table indicates that the majority of the co-operatives employed only one person to administer their affairs. This was the co-operative secretary; who's employed was a basic requirement for the establishment of a co-operative. It was only the Herbalists and Gin Distillers co-operatives who employed more than one officer in their administrative component.

In the distillers' co-operatives, it was observed that increasing administrative procedures had necessitated increases in the size of their administrative component. The gin distillers, as we noted earlier, had as one of their main functions the collection of levies and taxes on the sales of members' products. This has necessitated the employment of "checkers" to track down members who defaulted in their payments of levies. The four administrative staff of the Herbalists co-operatives included a secretary and three nurses.

The number of hired labour in the administrative component ranges from 1 to 4 persons in the co-operative. (See Appendix 3). The proportion of hired labour to the size of the administrative component ranges from zero to 100 per cent. The table shows only the Gin Distillers and Herbalist with a sizeable percentage of hired labour.

Structural factors of the co-operative management

The analysis of the participatory structures and the administrative components in the co-operatives in the previous sections offer a number of structural variables which one can use to describe participatory schemes in the co-operatives in table 2; we have an aggregation of the scores in terms of the co-operatives industry groups.

Among the variables in table 3, size of the management committees, size of the Administrative component and the number and percentage of Hired Labour appear to be similar in all the co-operatives. This is with the exception of the electrical co-operatives. The electrical co-operatives have quite smaller sizes of management committees. This comes from the fact that two of the co-operatives have a direct form of representation. The other exception, the taxi drivers' co-operatives, had as many as eleven elected officers.

Many of the co-operatives have employed their own members to manage their affairs. The only exception to this was the gin distillers co-operatives and herbalists. In the herbalists co-operatives all the staff were non-members and in the gin distillers as much as 75 per cent of the staff was also non-members. Also the herbalists also had 100 per cent of their staff employed. In the herbalists, these officers were nurses and in the distillers they were checkers. It should be pointed out here that these were also the two-industry group of co-operatives whose officers are also engaged in activities other than mere recording of minutes and business activities.

Patterns of organisational development

The research findings outlined above describe alternative participatory schemes and management structures in the co-operatives. Two major questions formed the basis of the study; what notable organisational changes

Table 3 **Structural factors and co-operative industry groups**

Structural variables	Agricultural co-operatives N=19 Mean	Block Makers N=2 Mean	Electrical Workers N=3 Mean	Gin Distillers N=10 Mean	Grain Distillers N=2 Mean	Herbalists N=1 Mean	Rattan Weavers N=1 Mean	Salt Winners N=1 Mean	Taxi Drivers N=10 M SD	Tie & Dye N=1
Size of the Management Committee	7	9	2.4	7	7	7	7	11	11 0.0	7
Form of Representative	2	2	1	2	2	2	2	2	2 0.0	2
Role Specialisation	3	4	1	3.	4	5	4	4	8 0.0	4
Size of the Administrative Component	1	1	1	2	1	4	1	1	1.0 0.0	1.0
No of Hired Labour	4	0	0	1.	0	3	0	0	0 0.0	0
Percentage of Hired Labour	na	0	0	75.9	0	100	0	0	0 0.0	0

have the co-operatives have undergone and are new organisational models for co-operatives being created. Two major issues emerge from these questions. How far the characteristics are different from classical model of co-operatives and what types of structural developments do they suggest.

To find answers to these questions let us remind ourselves of the classical co-operative model. We pointed out that it represents the organisations blueprint for establishment of co-operatives. It derives its organisation character from a system of rules and prescription in the natural regulations and the model co-operatives bye laws which consider principle and ideals. This is based on:

- Direct and indirect form of participation as a form of participation.
- Specifies minimum of 7 members in Committee.

By using the classical model of co-operatives as a point of departure, three types of participatory schemes in the 31 co-operatives

can be identified. We shall call them Types I, II and III for the purposes of classification.

Type I

These groups of co-operatives demonstrate structural features close to those of the ideal classical model. They can therefore be described as the ideal type co-operatives. The average scores of their structural factors are just the minimum levels of structural factors required to establish a co-operatives society. For instance, the average size of their management committees is seven. The division of labour and role specialisation in these co-operatives are based on the tripartite roles of president, treasurer and vice treasurer. Similarly, their administrative component does not show any kind of development. The only administrative officer in these co-operatives is the co-operative secretary. These characteristics are found in all the co-operatives except the gin distillers, two of the electrical co-operatives and the taxi drivers' co-operatives. These types of co-operatives have been described as ideal type co-operatives.

Type II

These co-operatives lack the bureaucratic structural features depicted by the ideal type co-operatives. The scores of their structural features fall below those of the classical model of co-operatives. These co-operatives use only direct forms of participation because they do not have established management committees. They also do not have any administrative components. These were two of the electrical co-operatives. They can actually be likened to Rotschild-Whitt's (1979) account of collectivist democratic organisations in the United States. According to her, these organisations reject rational bureaucratic justifications for authority. Authority resides not in the individual, but in the collective group as a whole. This type of co-operatives have been described as membership controlled co-operatives

Type III

The third type of co-operatives show some striking structural developments that go beyond the basic structures of the ideal classical model.

The structural development of these co-operatives is characterised by higher levels of division of labour and role specialisation. The co-operatives also use both the direct and the indirect form of participation. This type of co-operatives has been described as management controlled co-operatives.

Conclusions

The interest of this study was to examine the organisational structures of co-operatives in Ghana. Two reasons formed the basis of this quest. Over the past few decades the economy of Ghana has changed tremendously. This has involved the liberalisation of the economy and the introduction of structural adjustment programmes. Co-operatives now operate in a competitive economy in contrast to the days they had been operating, as monopolists in planned economy. A key objective of the study was therefore to find out what notable organisational changes the co-operatives have undergone to meet the challenges of their new environments.

The Ideal Co-operative Model and the Patterns of Control in Co-operatives			
Properties of the Participatory Schemes	Type I The Ideal Co-operative Model	Type II Membership Controlled Co-operatives	Type III Management Controlled Co-operative
1. Form of Participation	Specifies both direct and indirect schemes of participation. Authority resides in membership group.	Mostly use direct participation. Size of manager committee falls below ten.	Based mostly on indirect participation. Size of manager component up to ten members.
2. Authority Structure	Stipulates a minimum of seven members. Managerial roles: President, Vice President and Treasurer. Meeting: Annual General Meetings, Special General Meetings, Committee Meetings.	Managerial role based on tripartite role of president, vice president and treasurer. Regular monthly meetings by membership group and fortnightly meetings by managerial committee.	Managerial roles extended to include traditional roles and also oriented to routine acting. Meetings mostly by committees at monthly interval.
3. Administrative Component	Model bye law recognises appointment of a secretary and head of the administrative issue as election of officers.	Employment of only a secretary. 20% of the co-operatives use hired labour.	40.7 per cent of administrative staff as hired labour.

Table 4 provides a summary of the different types of co-operatives.

The presumption of this study has been that though co-operatives may be seen as democratic organisations they are also business organisations, no matter how they accord with principles of co-operation they are fundamentally a response to market opportunities and conditions. Since market opportunities lead to innovations in organisational design, co-operatives are therefore expected to develop structures that would make them survive.

Participatory schemes in co-operatives may vary along the following dimensions: the extent of division of labour and role specialisation, the size of their administrative components, the use of direct and/or indirect forms of participation. Most of the co-operatives have not departed away from the classical model of co-operatives whereby membership had absolute control of their activities and the management Committee itself takes over day to day operations of the co-operatives. Especially, in the agricultural co-operatives, the president and the treasurer of the society were active players in the day to day life of the co-operatives. This represents a stage of development in which co-operatives are seen as self-help organisations and as organisations with a strong social purpose. In this type of co-operative, the secretary has only authority in the administration. His duties are to carry out the instructions of the management committee (Dulfer 1984). There is little suggestion of modifications of the classical co-operatives rules of operation in terms of:

- Reduced role of members
- Enhanced role of management
- Focus on economic efficiency of the co-operative enterprise
- Role of employees in co-operative enterprise and
- Search for effective control mechanisms.

The answer to this appears to be come from the model co-operative by laws in operation. As indicated earlier the study the participative scheme still follows the traditional classical model of co-operatives. Since no amendments have been made to co-operative law, co-operatives still find no alternatives to improve structures beyond the traditional model. This is means that structural development can only occur through role specialisations in the management committees. For instance in the taxi drivers co-operatives, expansion in the management structure has occurred through the creation of new role structures and the establishment of sub-committees to undertake various tasks.

The inability of the co-operatives to develop also appears to come from the objectives and services of the co-operatives. The co-operatives are designed to assume the characters of benevolent societies to secure the welfare of their members. In many instances, they become representative organs for the small-scale business entrepreneurs. This is part of their efforts to reach the formal economies and have access to resources, especially, modern technology and finance which are in the strangle hold of the modern sector in Ghana. As self-help organisations they are also perceived as means to transform existing traditional production forms into modern industrial workshops. Hence, the co-operatives may be seen as organisational solutions to the problems small scale businesses in Ghana. For these reasons the co-operatives still follow the traditional model. They represent a stage of development in which they can be described as self-help organisations. Hence, they are not just financial oriented but organisations with a strong social purpose.

Dr K A Ofei is at the University of Ghana Business School, Legon.

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