

Editorial

An assumption of many co-operators is that co-operatives have, as their primary purpose, the delivery of a distinctively co-operative advantage to their members. This would imply that a major measure of their success is the extent to which they satisfy the criteria by which their members judge them. The articles in this issue examine performance issues in three types of co-operative: consumer, agricultural and community. They indicate that, in practice, these criteria have to be balanced with the performance criteria of other stakeholders and, in practice, vary in relative importance.

Spear, Aiken and Newholm examine the nature of “success” in retail consumer societies. They note that measurement of success is problematic. In part, this is because consumer societies serve multiple stakeholders and these stakeholders differ in their success criteria. Members, customers, employees, suppliers, lenders and other interested parties are likely to apply differing and, at times, potentially conflicting measures of society performance. Those charged with the direction of consumer co-operatives, in forming strategy, need to prioritise these success criteria. The research findings indicate that members, as a stakeholder group, fall relatively low down the strategic “pecking order” in a significant proportion of the cases studied. Co-operative values find expression in ethical trading and in concern for community rather than in a high emphasis on promoting the society as a membership organisation. Their strategic mindset could be described as separatist in that membership development has become largely divorced from trading strategy. In contrast, a few successful regional societies pursue a strategy in which membership is more closely integrated into trading strategy. Perhaps a potential advantage of this approach is that, if it is possible to ensure that the membership is representative of the society’s customer base, the prioritisation of stakeholders’ success criteria is simplified and potential for developing an inherent co-operative advantage is enhanced.

Arcas and Ruiz examine marketing strategy and performance in fruit and vegetable co-operatives. They compare two groups of co-operatives, those who follow a

market penetration strategy and those whose strategy is based on diversification. They note that the success criteria followed differ from those of non-co-operative businesses to the extent that there is likely to be tension between short to medium welfare criteria of the members and long-term profit maximisation to ensure the sustainability of the organisation. Here the tension depicted is not so much between the conflicting criteria of different stakeholders as between the short and long-term goals of the members.

Phyllis Winnington-Ingram presents a forceful advocacy of the community co-operative model in enhancing local involvement and self-determination in mutual communities in Muskoka, Canada. She emphasises the need to provide incentives to users to be members and, ideally, participating members to ensure that members are representative of users as a stakeholder group. She also emphasises the need to develop effective partnership with local municipalities, which implies that there has to be a conscious effort on the part of those running community co-operatives to balance members' performance criteria with those of local government.

Elsewhere in this issue, Gillian Lonergan describes the function of a national co-operative archive. This paper provides a counter-balance to that of Peter Collier in the last issue, which argued the importance of archive material being developed in regions. The existence of a national archive is helpful in seeing the co-op as a social movement whose purposes extend beyond the material self-help of the members. At the same time, the existence of local and regional archives helps in understanding the local context in which societies were formed and developed. Hopefully collaboration between the local and national levels of archive collections can be developed to reconcile these competing considerations.

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