



**Society for Co-operative Studies  
Bulletin 1968**

**Linking theory &  
practice**

## **UKSCS Archives Reprint Series**

*Society for Co-operative Studies 1968 Annual*

Reprinted from original manuscripts 2022.

Society for Co-operative Studies *Bulletin* 3 (March 1968)  
Society for Co-operative Studies *Bulletin* 4 (June 1968)  
Society for Co-operative Studies *Bulletin* 4 (September 1968)

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**UKSCS**  
**April, 2022**

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# UK Society for Co-operative Studies Reprint Series 1 (2)

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## Contents

### Bulletin 3 – March 1968

Editorial Note	1
Reports from the Regions	2
Current Co-operative Studies and Research	5
Annual Report 1967-68	7
Wider Still and Wider – Relations with Universities R. L. Marshall	11
University Courses for Managers S. P. Clarke	13
A Study of the Regional Society T. E. Stephenson	15
Workshop on Business Ratios A. Wilson	18
News from France and Germany W. P. Watkins	20

### Bulletin 4 – June 1968

Editorial Note	23
Reports from the Regions	24
Current Co-operative Studies and Research	27
Report of Annual Meeting	29
Lines of Development for 1968-9	34
The Active Co-operator John Whitfield	36
International Notes W P Watkins	40

## **Bulletin 5 - September 1968**

Editorial Note	43
Reports from the Regions	44
Current Co-operative Studies and Research	47
Study Projects: Notes for Discussion	
A     The Future of Co-operative Democracy - A Wilson	49
B     The National Structure of the Movement - W P Watkins	52
The Role of the Chief Executive Officer	57
T. E. Stephenson	

## Editorial Note

### **The Society for Co-operative Studies, Bulletin 3, March, 1968**

The Society for Co-operative Studies is a systematic link between the Co-operative Movement and universities and colleges for the exchange of information, experience, and views on the development of co-operative studies and research.

The *Bulletin* provides the opportunity for reporting the progress of this exchange; the formation of the Society and the beginnings of the regional organisations have been outlined in Bulletins Nos. 1 and 2.

#### *Bulletin* No. 3

This, the third issue of the *Bulletin*, is published prior to the first Annual General Meeting and Conference of the Society which takes place in Sheffield on 18th and 19th April [1968]. The Annual Report, which will be presented at that meeting, is included in this Bulletin.

Nationally the framework for the Society has been established. Now the task is to go into effective action. The Annual General Meeting will be concentrating on positive development that might be undertaken by the Society, particularly in the regions, and a report will be included in a future Bulletin.

R.L. Marshall  
Editor (1967-1995).

## Reports from the Regions

Local activity has been developing since the last issue of the *Bulletin* and reports from the regions covering the last few months are given below:

### Midland

*Acting Joint Conveners:*

Mr. J. Whitfield, B.A.,

Nuffield Research Unit in Statistical Sociology, University of Keele.

Mr. Lloyd A. Harrison, C.S.D.

Managing Secretary, Nottingham Co-operative Society.

"Democratic Participation in Retail Co-operatives" was Mr. Whitfield's subject when he addressed the inaugural meeting held at Stanford Hall on 20<sup>th</sup> January and attended by fifteen members. After discussion it was agreed that the following research in detail should be encouraged: management - its structure, line, and function in the regional societies; democratic control within the society. Mr. Whitfield was appointed convener in place of Dr. Ostergaard. The next meeting was arranged for 25th May.

### North

*Acting Joint Conveners:*

Dr. J. Stevenson, Ph.D., IUR.D., B.A.(Hons.).

Principal, Monkwearmouth College of Further Education

Mr. W. Martin Reed, C.S.D.,

Secretary and Chief Executive Officer, Newcastle Co-operative Society

The inaugural meeting was held in Newcastle-upon-Tyne on 4th January, attended by eleven members. Mr. W. M. Reed, one of the two conveners, took the chair and outlined the purpose of the Society. A lengthy discussion ensued on branch activities, and it was agreed to meet quarterly if possible.

Approaches are to be made for speakers and some specific aspects for future study were determined, which it was agreed members should consider for further discussion at a subsequent meeting. These included management education, career entrants, regional developments and their relevancy to the Co-operative Movement, closer working relations between societies and measurement of business efficiency, and the historical development of local societies linked with the communities in which they are situated. It was agreed that as soon as it was finalised, details of the programme should be circulated, and further approaches made to secure additional support.

## **Yorkshire and Humberside**

*Acting Joint Conveners:*

Mr. T. E. Stephenson, B.A. (Dunelm), Department of Management Studies, University of Leeds.

Mr. S. P. Clarke, C.S.D.,  
Secretary and Chief Executive Officer, Bradford Co-operative Society.

Members of the Society participated in a November conference held jointly with the National Co-operative Education Association in Scarborough when Mr. J. Roper and Mr. Lloyd Harrison spoke to their Fabian pamphlet, *Towards Regional Co-operatives*. Some seventy people attended and this 'sparked off' further conferences at district and society levels.

The Society has been asked to join in a conference on the Industrial Training Act organised for 9th March by the University of Leeds and addressed by Mr. Roy Hattersley, Parliamentary Secretary to the Ministry of Labour.

## **North-West**

*Joint Conveners:*

Mr. J. F. H. Roper, M.A.  
Faculty of Economic and Social Studies, University of Manchester.

Mr. F. Bruckshaw  
Editor, Co-operative News.

At its second meeting held in Manchester University on 9th February, the branch devoted itself to a consideration of the problems of democratic control in regional societies. Members had before them descriptions, prepared by the chief officers of the societies, of the machinery adopted in the Bolton, Bradford, Birkenhead, and Bath & West Societies. These were elaborated in short addresses by Mr. G. W. Calcroft, chief executive officer of Bolton Society, and Mr. S. P. Clarke, secretary and chief executive officer of Bradford Society. Both pointed out the achievements and some weaknesses in the existing set-up, particularly in the matter of district committees. Similar problems were mentioned in the documentation from Bath and Birkenhead. It was stressed that there is need to make the best use of these committees and to overcome some of the existing problems.

Dr. Alec Wilson was in the chair and there was an attendance of about twenty-four members. The discussion will be continued at the next meeting on 26<sup>th</sup> April.

## **Scotland**

*Acting Joint Conveners:*

Dr. T. F. Carbery, M.Sc. (Econ.), D.P.A.,  
Senior Lecturer, Department of Commerce, University of Strathclyde.

Mr. G. R. Gay, J.P.,  
President, St. Cuthbert's Co-operative Association.

Eighteen people were present at the inaugural meeting held on 19th November in Glasgow when the meeting was addressed by Mr. J. M. Wood, Parliamentary Secretary of the Co-operative Union, who spoke on "Consumers in Europe".

### **South**

*Joint Conveners:*

Mr. Peter Shea, B.Sc.  
Senior Lecturer in Educational Psychology, Hockerill College of Education

(A second appointment is to be made).

Aims and terms of reference were discussed and agreed at the inaugural meeting held in London on 24th January and attended by twelve members. An acting convener is being sought to replace Mr. McNab who has had to withdraw because of business commitments. The next meeting will be held on 28th March.

### **South-West**

It is hoped shortly to appoint two acting joint conveners.

### **West**

*Acting Joint Conveners:*

Mr. W. E. Jenkins,  
Extra-Mural Department, University of Swansea.

Mr. M. E. Morgan,  
Group General Manager, Swansea C.R.S.

Since the inaugural meeting held in September steps have been taken to achieve an increased membership. A working body has been formed with five representatives from co-operative and academic sources in addition to the three officers. The first meeting of this committee is proposed for April.

### **Notes**

The Fabian pamphlet referred to is Harrison, L. & Roper, J.F.H. (1967). *Towards regional Co-operatives*. Fabian Research Series No. 260, Fabian Society.

The Rt Hon Roy Hattersley, later Lord Hattersley was Parliamentary Secretary (Ministry of Labour) from 1967-1968. The Industrial Training Act was introduced by a Conservative government) in 1964 to, inter alia, address the perceived shortfall of skilled workers; a precursor to the 1973 Employment and Training Act. In 1967, as part of the Labour government elected in 1964, announced plans for grants to support off- and on-the-job training and apprenticeships to address areas of skills shortages.



## **Current Co-operative Studies and Research**

Information on the current contribution by universities and colleges to co-operative studies and research was given in the two previous Bulletins. The following notes now give a comprehensive list for 1967/68.

### **Courses completed or in progress during session 1967/68**

#### *Midlands*

Birmingham University in association with Co-operative Union Section: a course designed to show how economic and political analysis makes its contribution to management organisation and administration in retail trades for senior management.

Leicester University in association with Co-operative Union Section: a course on markets and marketing for senior management, including a group analysis of a society departmental store.

Nottingham University in association with Co-operative Union Section: under discussion, a course on economics of retailing and personnel aspects of retail management for senior management.

Derby College of Technology in association with Derby and adjacent societies: a course on food hall management for grocery branch managers.

#### *North*

Leeds University in association with Middlesbrough Society: a three-year course on business efficiency with the accent on retail distribution for departmental managers and above.

Durham University Business School in association with Stockton Society: an 8-meeting course based on Harvard Business School case study method for departmental managers and above.

Durham University Business School in association with Hartlepoons Society: a course is under discussion.

Stockton/Billingham Technical College, Billingham, in association with Co-operative Union Section: a course based on Co-operative Union Syllabus "Facing the Future", for society directors.

Municipal College of Commerce, Newcastle, in association with Co-operative Union Section: a course based on Co-operative Union syllabus "Facing the Future" for society directors.

#### *Yorkshire and Humberside*

Leeds University in association with Co-operative Union Section: a study group (2nd year) analysing the problems in the development of a regional society for senior managers.

Leeds University: conference on the Industrial Training Act.

Leeds College of Commerce in association with Co-operative Union Section: a third-year course (final year) leading to the Diploma in Management Studies for managers.

Bradford University in association with Co-operative Union Section: a retail management forum for directors and senior managers.

Bradford University Management Centre: a series of seminars on retailing.

Hull and Sheffield Universities in association with Co-operative Union Section: discussions proceeding.

Urwick, Orr & Partners Ltd. (management consultants) in association with Co-operative Union Section: seminar in Leeds on "Making Training Pay" for chief executive officers.

Manchester University in association with Co-operative Union Section: two courses and a workshop for senior officials.

#### *Scotland*

Dundee, Edinburgh, and Glasgow universities in association with Co-operative Union Section: courses on Co-operative Studies for society directors.

#### *South*

Oxford University in association with Co-operative Union Section: a course on Co-operative Management for chief officials and departmental managers.

#### *South-West*

Plymouth College of Technology in association with Plymouth Society: four seminars on marketing management for departmental managers.

### **Research in progress**

#### *Yorkshire and Humberside*

Leeds University:

Level of decision-making in the board room. Mr. T. E. Stephenson.

#### *North-West*

Manchester University:

Business Ratios in Co-operative Societies. Mr. J. Roper.

The Co-operative Movement in Sweden. Dr. A. Wilson.

Keele University:

Democratic Participation in a Co-operative Society. Mr. J. Whitfield.

#### *Scotland*

Heriot-Watt University: Labour Relations in the Consumer Co-operative Movement. Mrs. J. Paterson.

Strathclyde University: Co-operative Accountancy. Mr. L. Oakes.

## Society for Co-operative Studies: Annual Report 1967-68

(Originally published Society of *Co-operative Studies Bulletin* 3, March 1968, pp. 10-13).

1. A representative meeting at Stanford Hall on 3rd/4th April 1967 agreed on the inauguration and constitution of the Society and on the national officers for 1967-68. These officers have had four meetings in the year, and the following is their report for presentation to the General Meeting on 18th/19th April, 1968.

### 2. Membership

After the inaugural meeting, the distribution of information about the Society included all universities and also all colleges engaged in co-operative studies; all co-operative societies; the co-operative and the educational press; and many individuals who, it seemed, had been or could be interested in the Society. At 17th February 1968, the membership of the Society was:

Region	Individuals		Organisations		Total
	Co-operative	Other	Co-operative	Other	
Midland	8	4	6	2	20
North	9	3	4	2	18
Yorkshire and Humberside	4	2	9	2	17
North-west	11	7	10	1	29
South	12	10	5	1	28
Scottish	3	2	2	2	9
South-west	1		2		3
West	2	1	3	1	7
	50	29	41	11	131

The division into "Co-operative" and "Other" to indicate the main interest or experience which appears to have led members into participation in the Society is not of course exact, but it may still give a useful indication of the comparative support for the Society from these different areas.

### 3. The Bulletin

The general objective set by the national officers for the Bulletin is to give information and views on the engagement between the universities and colleges and the Co-operative Movement of which the Society is one expression. This will include information on the development of the Society, particularly in the regions; on co-operative studies and research undertaken within the Movement or in universities and colleges; and on organisations with related objects both in Britain and in other countries. It is not intended however that the Bulletin should serve as a "learned" journal for the publication of the results of the research.

There have been three issues of the Bulletin in the present year: and the national officers appreciate particularly the services of Miss J. M. Abbott, B.A., as co-editor with the Secretary and Treasurer.

#### 4. Regional Developments

Along the lines set by the inaugural meeting, two Acting Joint Conveners were sought in each region and the Sectional Education Officer of the Co-operative Union was invited to act as Secretary. General suggestions had been made by the national officers for development in the regions, including the study of co-operative democracy in regional societies, and submission of views which could be considered for publication nationally. The situation in February 1968 as reported from each region is:

##### *Midland*

The Society had a slow start owing to the difficulty of bringing the acting joint conveners and secretary together. At their first meeting it was agreed to submit five studies and from these the members attending the inaugural meeting selected two main areas of concentration: management in regional societies and research.

The speaker at the inaugural meeting in January was Mr. J. Whitfield of Keele University and a further meeting is planned for 25th May. It would seem that in the Midlands there is a firm base on which to commence regional activities of the Society for Co-operative Studies.

##### *North*

There are eighteen members of the Society, eleven of whom attended the inaugural meeting in January. A programme is being planned and meetings have been scheduled for the next session. Relationships with colleges and universities continue, including suggestions for courses for 1968/69.

##### *Yorkshire and Humberside*

Throughout this, the first year of life, membership has by no means developed at the pace at first expected, which may be due to overlapping of activities of other organisations. Two meetings of the conveners have been held during the session and forty-four people attended the inaugural meeting held in Leeds on 29th June 1967 when Mr. T. E. Stephenson spoke on the aims of the Society.

A conference on regional co-operatives held jointly with the National Co-operative Education Association at Scarborough in November was addressed by Mr. J. Roper and Mr. Lloyd Harrison, the co-authors of the Fabian pamphlet "Towards Regional Co-operatives", and associations with other organisations in the region continue.

##### *North-West*

Two meetings of the Society have been held. The first in October was of an exploratory nature and brought forth a suggestion that amongst early topics for consideration might be regional society organisation and problems of capital. The conveners acted on the first of these two suggestions and in preparation for the second meeting held on 9th February circulated to members an outline of the methods of democratic control adopted in the Bath & West, Birkenhead, Bolton District and Bradford District Societies. After the opening addresses by Mr. S. P. Clarke, secretary and chief executive officer of Bradford Society, and Mr. G. W. Calcroft, chief executive officer of Bolton Society, there was a useful discussion in which the lines of thought contained in the documentation and the opening addresses, particularly with reference to the problems and importance of district or regional committees, were followed up. The discussion will be continued at the next meeting on 26th April.

### *Scotland*

During the year the conveners met for discussion before the inaugural meeting which was held in November and addressed by Mr. J.M. Wood, the Parliamentary Secretary of the Co-operative Union, who spoke on "Consumers in Europe".

### *South*

The inaugural meeting has been held and there is a growing membership of organisations and individuals. Mr. P. Shea has been endorsed as a permanent convener and a second appointment is being sought from the "co-operative" side.

### *South-West*

Explorations have proceeded during the year regarding the appointment of the acting joint conveners and a successful conclusion is near.

### *West*

Following the inaugural meeting at the Co-operative College, Stanford Hall, held on 3rd/4th April 1967, information was sent to all relevant organisations and individuals throughout the region and membership sought. This has not proved high numerically with only three individual members and four organisations. Two acting joint conveners were obtained, Mr. W. E. Jenkins, Extra-Mural Department, Swansea, and Mr. M. E. Morgan, General Manager, C.R.S. Discussions resulted in the decision to promote a regional organisation in September 1967.

The regional inauguration, attended by only a small number was addressed by the Society's Chairman, Dr. A. Wilson, M.A., and facilities were provided by the Extra-Mural Department, Cardiff. As a result of this meeting, it was agreed to make approaches to several individuals and organisations to achieve a working body for the region, and the first meeting of this committee is proposed for April 1968.

## **5. Kindred Relations**

Opportunity will continue to be taken to get information of kindred organisations in Britain and abroad and where possible to develop productive relations with them: in particular, with the British Committee for Public and Co-operative Enterprise.

## **6. Finance**

The cash and bank account from the formation of the Society to 17<sup>th</sup> February 1968 is as follows:

Cash and Bank Account from Formation of Society to 17 February 1968

RECEIPTS	£	s.	d.	PAYMENTS	£	s.	d.
Subscriptions	664	12	0	Printing – Society Bulletin	129	0	5
Fees – AGM and conference	13	4	0	Typewriting	38	17	4
Gift	20	0	0	Meetings – expenses	30	15	0
Sales – Society Bulletin	1	11	6	Visit	4	12	6
Bank Interest	1	3	6	Stationary & Postage	75	7	5
				Telephone	1	3	8
				Bank Commission	0	2	9
				Cheque Books	0	12	6
				Cash in Hand	-	-	-
				Cash at Bank	419	19	5
	<u>£700</u>	<u>11</u>	<u>0</u>		<u>£700</u>	<u>11</u>	<u>0</u>

## 7. Conclusion

In general, the first year has inevitably been devoted to setting up the national framework and services of the Society. The next stage will be to define and pursue specific tasks, particularly in the regions, which arise from its distinctive purposes.

## **Wider Still and Wider: Relations with Universities**

**R. L. MARSHALL, O.B.E., M.A.**

“...our final recommendation is that the Movement should formally re-examine . . . its basic trading [policies] at least once every decade” [Recommendation 51, Co-operative Independent Commission, 1958, p. 253].

The advice from the Independent Commission is sound. Like any other social organisation we need, of course, to meet the demands of today and tomorrow and that is exacting enough at present. We need also to add a dimension of long-term analysis to our efforts: to identify and measure as far as we can the new challenge that will face us in five or ten years and draw up the guidelines that will shape our response to these conditions. This is not, of course, a task to be taken up every five or ten years: it has to be a continuing preoccupation of agencies serving the Movement. And it is pleasant to speculate on one form of association by universities in this preoccupation, particularly against the background of co-operative engagement with them so far.

For example, one of the major developments in the early years of the College at Stanford Hall was the establishment by the University of Nottingham of a Diploma for which students in a two-year course at the College could be prepared, and which would include within the general context of social, economic, and political studies considerable concentration on co-operative principles, history and organisation. Again, in more recent years, there has been the promotion by universities particularly through their extra-mural departments and, particularly, in the North-East, North-West and North, of courses for co-operative officials and directors; it is pleasant to note in the present session the entry of three more universities into this provision for the first time - Birmingham, Leicester, and Oxford.

### **Loughborough University of Technology**

More immediately, however, there has been a new and significant development in the relation between the College and its neighbour, Loughborough University of Technology. We have looked across the river Soar, from our modest cell of learning at Stanford Hall, to this great and growing neighbour, with admiration for their achievement and with appreciation of the helpful relation we have always had with them. The University is now instituting the award of a Diploma in Co-operative Development (overseas) for which students will come into residence for a session, October to June, at the College.

Since 1947, the College - with the backing of the appropriate Government Departments, and most recently of the Ministry of Overseas Development has provided courses on the application of co-operative principles and techniques within the conditions of the developing countries. It is still maintaining the course for its own Certificate, but there will now be added the more advanced course and award of the University - and this provision is fully supported by the Ministry. The normal requirement for entry to the course will be a university degree. However, other candidates may be accepted if they have had practical experience and/or possess professional qualifications that are acceptable to the University.

"Development" is an area of study on which various courses are now offered in universities and colleges in Britain, but this is the first British provision on a university-level of a Diploma course covering the broad context of economic and political development, with concentration on the role of co-operation and on the problems involved in its organisation and promotion. It is particularly suitable

for officers of Government departments who, in practice or in prospect, are involved in policy-making for co-operative development, for senior officials of Co-operative Unions and large co-operative societies, and for teachers in co-operative colleges and training centres in the developing countries.

### **Appointments for co-operative research?**

Wider still and wider, therefore, shall the bounds of this engagement be set. Where to? What next? A very good step would be to promote under the joint auspices of the College and one or more neighbouring universities, appointments for research in areas of particular relevance to co-operative development in this country. We are beset by immediate problems which will not await approach through research of this kind-but, in five- or ten-years' time, we shall be facing new problems and should be preparing for them well in advance.

So, we need:

- A general university-college collaboration for the scheme
- A pattern of research projects, related both among themselves and to what is being done by other agencies
- A number of appointments, probably as university posts, to carry out the work.

Above all, we need co-operative money with which to approach a university for even a modest start. For example, a covenanted annual payment of £2,000-£2,500 for seven years would make a beginning - and a growing point of great value.

### **References**

Co-operative Independent Commission (1958). Report. Co-operative Union Ltd. [Internet Archive] <https://archive.org/details/CooperativeIndependentCommissionReport1958/mode/1up>



## University Courses for Managers

S.P. Clarke, CSD

Relatively few co-operative officials as yet, have had the experience of taking part in university courses designed to assist them in their jobs, and the majority tend to be rather sceptical in their approach. This attitude is fair enough, and every busy official is entitled to ask:

Could such a course be of benefit to me?

Would it help me do my job more efficiently?

Would the time involved be used to better advantage than I am now using it for?

In the eighth continuous year of participation, I can state that the value of each year, and the accumulating value of the series, has made me unhesitatingly ask for more next year, for my own sake. The improvement I have seen in departmental managers after participation in a suitable course increases my conviction of the real value of this kind of work.

### Conditions

To achieve this value a university course however must be organised on the right lines, which can be briefly summed up as follows:

1. The syllabus must be dealing with the real problems facing the managers comprising the group.
2. The group must be well led by a tutor knowledgeable of management problems in the commercial world at large, and skilled in drawing active response from all members of the group-and equally relies upon the body of experience, and clash of thought arising from an alert group of officials, whose attention to the problems under discussion has been directed and developed in a planned progression.
3. The group *must not* be a passive listening audience.

### The need for such courses

All management today is involved in a state of change, and caretaker management of things as they have been, is doomed to failure. The capacity to foresee the need, and to conceive and introduce change requires open minds. A university course of the right type unfreezes minds, and permits the radical re-appraisals of objectives, habits and methods which must precede change.

In particular, chief officials have a most important function which is almost entirely their own special responsibility, and if not conscientiously performed by them will be neglected at great cost to the society. It is their chief responsibility to watch the changes developing in the external commercial and social environment within which the society operates as an organisation, to interpret the impact of those changes in advance, and to introduce the changes in policies, and methods, which are needed to adjust the society in time to reap advantage, or to avoid disaster.

WARNING - The chief official's constant danger is of being immersed in daily routine, and not making time to assess the external changes which will demand the response of change within

his [sic] society. The man [sic] who is always in the thick of it can truly be unable "to see the wood for the trees".

A university course, properly conducted, lifts him [sic] out of his office to take such a view, and to argue the pros and cons with colleagues which clarifies and improves his [sic] own thinking.

### **Are such courses possible?**

The answer is yes, if any group of officials really wants one. The universities are quite ready to do their part if the group is in earnest. At Leeds, at least, over a number of years co-operative officials have been led to think deeply on prime managerial problems, which in the bias of a group of co-operators have, to quote examples, emerged as below. They are practical, down-to-earth, and in no sense academic

- The objectives of a co-operative society- what we think they are - what should they be?
- The relationship between board and official: official and managers. The function of the board, of the official, of the managers.
- Introduction of change, of methods or structure.
- Management of staff-recruiting, interviewing, training, promotion motivation, incentives, delegation, development.
- Capital, supplies, and employment.
- Inter-firm and inter-society comparison of efficiency; cost centres.
- Dividend and all its aspects, including feasibility, and the impact of removal of price maintenance on cigarettes.
- Problems of amalgamation, national integration, regional societies.
- The pamphlet on Aspects of Dividend published in 1966 was based by the tutor Mr. T. E. Stephenson on the group studies of 1963/64 and 1964/5 and illustrates very well the advance realisation of trends, which is achieved in such work. Many officials reading it today would understand more of its message than they did in 1966.

### **Conclusion**

One of the greatest needs of the Co-operative Movement today is the improvement of the standard of management. Universities offer at minimum cost and inconvenience, the opportunity for the present officials and managers to achieve more with their own abilities, which are considerable.

Active participation in a University course pays real dividends of improved efficiency, with bonuses of group contacts which alleviate the weight of responsibility in isolation, and incidentally gives relaxing periods of intellectual enjoyment.

### **References:**

Stephenson, T.E. (1966). *Aspects of Dividend*. Co-operative College Papers. Co-operative Union.

**About the author:** At the time of publication Mr Clarke was the secretary and chief executive officer of Bradford District Co-operative Society Ltd.

### **Notes**

An article extending and developing the report on the co-operative dividend as published in 1966: Stephenson, T.E. (1966). Attitudes to dividend in co-operative retail societies. *Annals of Public and Cooperative Economics*, 37(2), 121-131. <https://doi.org/10.1111/j.1467-8292.1966.tb01686.x>

## **A Study of the Regional Society**

**T. E. Stephenson (BA – Dunelm).**

This is an interim report of the Leeds study group which is involved in a general examination of the problems of organisational efficiency and change. In its present session it has been concerned with structural change and in particular with the concept of the Regional Society.

### **The basic question**

From the outset it was clear that the Regional Society had to be examined against the broader background of the reasons for the decline of co-operative retail trade. This raised the basic question of whether structural change, as exemplified in the Regional Society, would make a substantial contribution to the solution of the basic trading problems of the Movement, or whether other solutions involving less structural emphasis would contribute more. It was recognised that even if structural change could make a substantial contribution to resolving the Movement's problems, this did not mean that there would be an automatic acceptance of such structural change. The whole question of non-acceptance has to be faced and with it the need for alternatives of a non-structural nature. In addition, it was recognised that even if the Regional Society concept was accepted wholeheartedly as a solid contribution to recovery, it would still take time to bring into operation and many of the problems facing the Movement were immediate and required attention now.

In the light of the general factors outlined above, the group has established the following programme upon which it is working:

- 1) to consider alternative structures to the Regional Society
- 2) to consider arguments in favour of and against the Regional Society
- 3) in the light of 1 and 2 to develop a study of one of the following:
  - i) Regional Societies
  - ii) One of the alternatives
  - iii) A combination of (i) and (ii).

### **Programme of study**

On the assumption that (i) was agreed, the following procedure was evolved:

- (a) that the group should compile a case group of societies each with a specification of information; this would include, among other things:
  - a statement of the assets and liabilities of each of the societies
  - an examination of the trading results of the societies, including consideration of trade penetration
  - a survey of the potential of the area involved
  - an examination of the existing policies of the societies
  - a study of existing board/management structures.

This is by no means a complete list of the information required but is indicative of some of the areas under consideration by the group.

It seemed likely that study on these lines would indicate some of the probable obstacles if negotiations were to begin for the formation of a Regional Society, for example, how far it would be practicable to expect interested parties, that is, board members and managers, to contribute to this type of study when their own positions were by implication threatened.

- (b) that in view of the results of (a) the group would then consider proposals which would have ~ reasonable chance of acceptance and which would contribute to the establishment of a Regional Society. This would involve:
- (i) the establishment of clear objectives for a Regional Society. This was seen as a major issue as the objectives must influence the structure, policies, and practice of the Regional Society.
  - (ii) the development of statements of policy in major fields of society activity. Clearly this would entail an examination of the present capital position and future requirements.

In practice one of the problems arising in the development of a Regional Society is to determine how far the discussions and proposals made by the uniting societies in a "Working Party" can limit the freedom of the board and top management to develop new objectives, policies and practices.

- (iii) the formulation of proposals relating to the structure of the Regional Society. This could involve the development of an organisational model to which the Regional Society would be moving but which may take many years to fulfil. Some of the topics which appeared to require consideration were:
  - the role of the board of directors in Regional Societies. This raises a number of basic questions about the form of control to be exercised and about the representative nature of the directors.
  - the role of the chief executive. The need to define this role is seen as crucial, as the general nature of the role is paramount. Clarification of the role carries with it significant questions relating to the method of initial selection, the calibre of manager required and its availability .
  - the management structure below that of Chief executive which has to be thought through in terms of the objectives and policies of the Regional Society.  
This restructuring of management is seen as a major problem involving long-standing co-operative traditions.
  - the structure of member participation in the Regional Society.
- (iv) discussion of such matters as guarantees to existing staff and management, superannuation and political and educational issues.

- (c) that consideration should be given to the external arrangements and assistance which would be essential to the success of the negotiations. This means that some attempt should be made to define:

- (i) the conditions under which local initiative is possible and the best way of achieving a Regional Society.
- (ii) the conditions under which a Regional Society is not possible from local initiative and local resources.
- (iii) the kind and extent of assistance from national bodies which could fairly be expected and provided to establish a Regional Society.
- (iv) the circumstances under which the condition of a society cannot wait for the formation of a Regional Society and the alternative method of absorbing such a society into a larger co-operative structure.

In addition, it is necessary to consider the cost to the Movement if national resources are not used to help either the formation of Regional Societies or to assist societies which cannot wait on their formation, and also what obligations should be laid on all societies if the national bodies provide assistance.

A further area to be explored arises out of the possibility that the societies will not be willing to voluntarily come together in Regional Societies. The need is to consider what forms of pressure and inducement can be developed to facilitate regionalisation.

- (d) that the need to obtain the support of the various interest groups involved in Regional Societies is such that a definite procedure needs to be thought out.

### **Using the pattern of procedure**

While the programme outlined above is not complete it covers a wide range of topics all of which require consideration.

If the Regional Society concept is rejected for some other structural reorganisation such as a National Society, or a combination of the Regional Society with national chains in some commodities, then another pattern of procedure, with a high degree of similarity to the one outlined here, would be necessary.

It may not be possible for the group to cover the whole field as sketched above, but the preparation of the procedure has itself proved most useful in developing a number of questions.

### **Notes**

At the time of publication T.E. Stephenson was an Acting Joint Convener in Yorkshire and Humberside for the Society for Co-operative Studies, and a lecturer in the Department of Management Studies at the University of Leeds. In 1971, he published an article on pluralism and conflict in the co-operative retail society:

Stephenson, T.E. (1971). Conflict in the Co-operative Retail Society. *Annals of Public and Co-operative Economics*, 42(3), 205-217. <https://doi.org/10.1111/j.1467-8292.1971.tb00356.x>

## **Workshop on Business Ratios: A note on a current study in the North-west.**

**Alexander Wilson (M.A., D.Phil.)**

"Five years ago, I would not have known what was meant by cash flow ... What would be the implications of basing current value of buildings on 15 times the gross annual value rather than 20 times? ... 25 per cent is a more realistic basis for depreciation of vehicles than 20 per cent ... Should we adopt a straight-line basis for depreciation rather than the nonsense of declining balance? ... My predecessor's policy was to get all land, buildings, fixtures and fittings written off".

These are some of the comments which typically crop up in the Workshop for Chief Officials, which is being run under the direction of John Roper at Manchester University. They often illustrate the bewildering variety of management accounting practice to be found in the retail side of the Co-operative Movement. Each of the chief executives participating seems to have a fund of stories which might be highly amusing if the trading position of the Movement were less serious.

### **Purpose of the workshop**

The intention behind this workshop-cum-forum is to enable senior officials in retail societies to investigate the possibility of establishing meaningful business and operating ratios for various sectors of co-operative trade, and to consider appropriate techniques for investment appraisal. The group is looking at the presentation of information, sources of capital, inter-firm comparisons, management control systems and case studies in investment appraisal presented by members. In the end we hope that all this will provide us with check lists for investment decisions, project planning and marketing decisions.

In recent years, inter-firm comparisons and inter-society comparisons have figured in courses for co-operative managers and directors run by Leeds and Manchester Universities. In order to set and advance standards of performance, there needs to be more attention paid to inter-society comparisons. Inevitably the available financial statistics fail to reflect all the factors which affect any particular society's performance. Grouping of societies, with similar size and special conditions, helps but this requires wide, detailed and even intimate knowledge. Definitions of stocks, cash, debts, fixed assets, and even sales appear to vary considerably and so reduce the value of the findings. Nevertheless, exercises of this kind have proved interesting, especially to directors, who increasingly realise that criteria of sales, net profit and members' capital are no longer adequate.

### **Future developments**

The working group in Manchester is making an examination of the appropriate ratios and definitions for further work in this field inside the Co-operative Movement. Alongside this, John Roper is undertaking a research project, part of which involves the calculation of a selection of business ratios for a sample of 140 societies. As well as attempting to make overall inter-society comparisons, the group will look into the possibility of improving the basis of inter-shop comparisons. Here the experience of the Swedish, Finnish and West German Co-operative Movements and their shop data will be examined to see how far

they suggest fruitful lines of further action.

**Notes**

At the time of writing, Dr. Alexander Wilson was Chairman of The Society for Co-operative Studies, and Director of Studies in Management and Industrial Relations in the Department of Extra-Mural Studies at the University of Manchester.

## News from France and Germany

**W. P. Watkins (J.P., B.A.).**

### **France: An exchange of views**

The French Institute of Co-operative Studies arranged in the autumn of 1967 an exchange of views on questions of current interest to co-operators between co-operative leaders and eminent university teachers who possess special knowledge of co-operative problems and are interested in co-operative studies and research. The meeting was held at Heiligenstein in Alsace, where the consumers' co-operative society has a hotel on the foothills of the Vosges.

The question for discussion, according to a recent report in "Le Co-opérateur de France", national organ of the consumers' Co-operative Movement was: What is the current problem of your Movement? Answers were given by representatives of all the main branches of the Co-operative Movement in France - agricultural, consumers', fisheries, housing, workers' productive - in specially prepared papers. The audience included professors from the Universities of Paris, Lyon, Montpellier and Strasbourg and eminent co-operators present included Mr. Charles Veverka, the newly-elected president and director-general of the Wholesale Society (SGCC) and Professor Desroche, director of the Collège Co-opératif.

### **Some problems**

The problem of the agricultural Co-operative Movement was stated to be the maintenance of its competitive power in a market in continual evolution on both the national and international planes. Agriculturists are henceforward subject to the limitations imposed by the market and the iron law: if you do not sell, you are .

The spokesman for the consumers' movement was Mr. Jean Lacroix, president and director-general of the Union of Lorraine, France's largest consumers' co-operative. He expounded the policy of development to which this branch of co-operation is now committed. He struck a balance between the internal and external constraints with which the movement had to contend and showed how they were taken into account in the national plan approved by recent congresses.

Among the housing co'-operatives, the great problem is no longer the supply of materials or manpower [sic], but money. The two speakers for this branch of the movement dealt with the problems of raising enough money to finance a programme of socially inspired housing. Their solution comprised the reduction of repayment rates and the lengthening of the period allowed, together with rigorous repression of the speculation which raises the price of land.

A decision of the congress of workers' productive societies in 1966 to require of every society that it should present to its members each year a "co-operative", in addition to a financial balance sheet, has created a veritable ferment among the societies. The object is to oblige them to consider how far the character of the societies as genuine co-operatives was being maintained or whittled away. The management therefore submits a report



indicating which of their features were assets and which were liabilities in a co-operative sense and what were the gains and losses in the accounting period.

### **The Institute Of Co-operative Studies**

The Institute of Co-operative Studies of the University of Hamburg, directed by Professor Dr. R. Henzler, has just issued its report for the year 1967. The Institute's regular work programme includes two lecture series on Co-operation, complemented by practical exercises, seminars, contacts with co-operative leaders and study visits to co-operative establishments. In addition, the Institute provides lecturers for conferences of the Co-operative Unions and their training courses. It receives every year a number of visitors from Germany and abroad with whom it discusses questions of co-operative information and research.

### **Student research**

Prominent among the subjects chosen for research by the students were: co-operative education and training in various countries; the participation of members in the internal values of co-operative societies; co-operative consolidation; advertising in co-operative business enterprises; co-operative principles; problems of financing and investment.

A considerable part of the year was taken up with the preparation and editing of the full report of the International Co-operative Scientific Conference, held at Hamburg in September 1966. An abridged version of this report is also available in English.

In the course of the year, one dissertation and nineteen studies were submitted for examination. The subjects chosen were drawn from the current problems of all branches of the Co-operative Movement-agricultural, artisanal, consumers' and housing. The theme of the dissertation was: The Validity of the Rochdale Principles, examined with special reference to the French Cooperative Movement. Other dissertations under preparation include, International Collaboration among Co-operative Societies; Investments and Investment Policy of Co-operative Societies and Federations; Agricultural Co-operation in Denmark and Western Germany - a Comparison; The Tendency toward Co-operative Consolidation - Recent Developments of Federal Enterprises in The Consumers' Co-operative Movements of the Federal German Republic, Great Britain, and Sweden.

**Author:** W.P. Watkins then president of the Society for Co-operative Studies and former director of the International Co-operative Alliance.

### **Notes**

*Le Co-opérateur de France* was the periodical for the National Federation of Consumer Co-operatives. It was started in 1928 and ran through to 1983.

The Société Générale des Coopératives de Consommation (SGCC) was first established in 1883. Charles Vervaka started his co-operative journey in 1934 when he joined the Banque des coopératives de France. In 1963, he became vice-president of SGCC in 1963 and in 1967 became CEO (<https://maitron.fr/spip.php?article134286>)

Professor Henri Desroche set up the Collège Coopératif in 1957. For more information on his contribution to co-operative studies, see Draperi's biographical note in Toucas, P. & Dreyfus, M. (2005) (Ed.). *Les coopérateurs : deux siècles de pratiques coopératives*, Editions de l'Atelier; also Musée de la Mutualité Française:

<http://www.musee.mutualite.fr/musee/musee-mutualiteeng.nsf/PopupFrame?openagent&Etage=x&Piece=x&Nb=1&Ref=econosoc16>

Professor Dr. R. Henzle served on the 1964 ICA Commission on Co-operative Principles.

## **Editorial Note**

### **The Society for Co-operative Studies, Bulletin 4, June, 1968**

The Society for Co-operative Studies has held its first Annual General Meeting and Conference: an enjoyable and successful event amid the pleasant surroundings of Stephenson Hall at the University of Sheffield.

Bulletin No. 4 reports this meeting and outlines the lines of development for activity to be undertaken by the Society, particularly in the regions.

### **Subscriptions for 1968-69**

Subscriptions to the Society for 1968-69 are now due. A letter from the Secretary and Treasurer accompanies this Bulletin. We hope you will respond speedily and willingly to his request!

R.L. Marshall  
Editor (1967-1995).

## Reports from the Regions

It is only a short while since the issue of our last Bulletin and there is not so much new to report. Nevertheless, some meetings have taken place and others are planned for the future months as set out below:

### Midland

*Acting Joint Conveners:*

Mr. C. S. Nuttall, B.A.,

Staff Tutor in Economics, Department of Extra-Mural Studies, University of Birmingham

Mr. Lloyd A. Harrison, C.S.D.

Managing Secretary, Nottingham Co-operative Society.

At the meeting held on 25th May, Mr. E. P. Pritchard of the Extra-Mural Department of the University of Birmingham submitted for discussion a short outline on "Co-operators and Democracy". The questions he raised resulted in a lengthy discussion, which will be continued at the next meeting to be held on 28th September at Union Street, Leicester.

### North

*Acting Joint Conveners:*

Dr. J. Stevenson, Ph.D., IUR.D., B.A.(Hons.).

Principal, Monkswearmouth College of Further Education.

Mr. W. Martin Reed, C.S.D.,

Secretary and Chief Executive Officer, Newcastle Co-operative Society.

Outlining the Co-operative Movement past and present, Mr. J. W. Charlton, C.S.D., A.I.A.C., Deputy Executive Officer, Newcastle Co-operative Society, introduced the subject, "The Future of Co-operative Democracy", at the branch meeting held on 9th May, and a lengthy discussion followed. A report is to be submitted later on questionnaires on member participation which have been sent to a number of societies in the region.

"Career prospects within Northern Co-operative Societies" is the subject for the next meeting to be held towards the end of September or beginning of October; Dr. J. Stevenson and Mr. J. Lister are preparing a questionnaire for distribution to northern societies.

### Yorkshire and Humberside

*Acting Joint Conveners:*

Mr. T. E. Stephenson, B.A. (Dunelm), Department of Management Studies, University of Leeds.

Mr. S. P. Clarke, C.S.D.,

Secretary and Chief Executive Officer, Bradford Co-operative Society..

Consideration is being given to further developments.

## **North-West**

*Joint Conveners:*

Mr. J. F. H. Roper, M.A.

Faculty of Economic and Social Studies, University of Manchester.

Mr. F. Bruckshaw

Editor, Co-operative News

The third meeting, with Mr. F. Bruckshaw in the chair, was held on 26<sup>th</sup> April in Manchester University. Mr. J. S. Whitfield of Keele University spoke on findings reached from his study of democratic control in Burslem Society; he presented statistics relating to the differing degrees of participation between the ordinary member and the activist and examined questions of apathy, recruitment, and ideology. A full discussion followed.

The next meeting was held on 24th May when Dr. A. Wilson led a discussion on "The Future of Co-operative Democracy" for which a study paper was distributed to members.

## **Scotland**

*Acting Joint Conveners:*

Dr. T. F. Carbery, M.Sc. (Econ.), D.P.A.,

Senior Lecturer, Department of Commerce, University of Strathclyde.

Mr. G. R. Gay, J.P.,

President, St. Cuthbert's Co-operative Association.

Consideration is being given to further developments.

## **South**

*Joint Conveners:*

Mr. Peter Shea, B.Sc.

Senior Lecturer in Educational Psychology, Hockerill College of Education

(A second appointment is to be made).

A lively discussion on co-operative democracy took place on 28th March at the College for the Distributive Trades and will be continued at the next meeting on 20th June. The distribution to societies of questionnaires on electoral procedure, etc., was recommended to further the studies in local democracy.

## **South-West**

It is hoped shortly to appoint two acting joint conveners.

## **West**

Acting Joint Conveners:

Mr. W. E. Jenkins, Extra-Mural Department, University of Swansea.

Mr. M. E. Morgan,  
Group General Manager, Swansea C.R.S.

The working body, formed with five representatives from co-operative and academic sources in addition to the three officers, held its first meeting on 13th May. Following considerable discussion upon one of the agenda items, "Problems of Co-operative Capital", introduced by the Sectional Secretary, Co-operative Union Ltd., it was felt that the urgency of the problem in the Western Section justified further examination.

The officers were instructed to draft further information to be considered at its next meeting in July by the working body which is now to be enlarged to include greater representation from academic and co-operative interests. Following the next meeting, an approach will be made to all societies in the Section for their support in obtaining all relevant information upon capital for research purposes. The possibilities of gaining facilities for this research at Swansea University were examined and it was agreed that the end product could form the basis for a series of management seminars at Swansea upon the theme of capitalisation.

## **Current Co-operative Studies and Research**

### **Courses in prospect for session 1968-9**

Discussions are beginning on further courses for the forthcoming session.

#### *Midlands*

Birmingham, Leicester and Nottingham Universities in association with Co-operative Union Section: under discussion, further courses for senior management.

Derby College of Technology in association with Derby and adjacent societies: a ten week half-day release course "Management and Marketing".

#### *Yorkshire and Humberside*

Leeds University in association with Co-operative Union Section: under discussion, a course on "Business Policy and Problems of Mergers" for middle management.

Sheffield University in association with Co-operative Union Section: under discussion, a course on "Investment Knowledge and Appraisal" for middle management.

Hull University. in association with Co-operative Union Section: under discussion, a management development programme.

#### *Scotland*

Scottish Woollen Technical College Management Section in association with Co-operative Union Section: under discussion, a course for board members in Galashiels.

#### *South*

College for the Distributive Trades in association with Co-operative Union Section: a course for senior managers.

### **Research in progress**

#### *Yorkshire and Humberside*

Leeds University:

Level of Decision-making in the Board Room. Mr. T. E. Stephenson.

Role of the Chief Executive Officer. Mr. T. E. Stephenson.

#### *North-West*

Manchester University:

Business Ratios in Co-operative Societies. Mr. J. Roper.

The Co-operative Movement in Sweden. Dr. A. Wilson.

Keele University:

Democratic Participation in a Co-operative Society. Mr. J. Whitfield.

Manchester College of Commerce:  
Co-operative Capital. Mr. Hopwood.

*Scotland*

Heriot-Watt University:  
Labour Relations in the Consumer Co-operative Movement. Mrs. J. Paterson.  
Strathclyde University: Co-operative Accountancy. Mr. L. Oakes.



# Report of the Annual General Meeting

## 18th-19th April 1968 at the Stephenson Hall, University Of Sheffield

### 1. Attendance of Members

The following were present: where the participant represented an organisation in membership of the Society, this is given after their name:

Miss J. M. Abbott	Mr. W. Lawn
Mr. F. Abbotts	Mr. B. Le Bargy
Mr. R. Briscoe (Plymouth Society)	Mr. R. Lowe (Leicester Society Education Committee)
Mr. F. Bruckshaw	Mr. R. L. Marshall (Co-operative Union Ltd.)
Mr. C. Burkill (Barnsley British Society and Co-operative Education Secretaries' Association)	Mr. K. Noble (Co-operative Wholesale Society)
Dr. T. Carbery (University of Strathclyde)	M. S. Oliver (Brightside & Carbrook Society)
Mr. S. Clarke (Bradford Society)	Professor S. Pollard
Mr. H. Clode	Mr. E. Pritchard
Mr. J. H. Harrison	Mr. A. Rhodes
Mr. L. Harrison (Nottingham Society)	Mr. J. Roper
Mr. P. Harty (Coatbridge Society Education Committee)	Mr. E. Taylor (Harrogate Society)
Mr. W. Higgins	Mr. A. Thomas
Mrs. B. Higgins	Mr. W. P. Watkins
Mr. H. L. Jennings	Mr. J. Whitfield
Mr. H. Kemp (Co-operative Party)	Mrs. N. Willis
	Dr. A. Wilson

Dr. M. Howe of the Department of Business Studies, University of Sheffield also attended at the invitation of the Society.

### 2. Greetings

Professor S. Pollard, Department of Economic History, University of Sheffield, and a President of the Society, extended a welcome to the participants and expressed the hope that they would have an enjoyable and fruitful Conference.

### 3. Introduction by the Chairman

Dr. Wilson briefly reviewed the background against which we were holding the first AGM. The Society had been established with initially modest intentions-and he felt that these had been realised. The membership figure was quite reassuring; a sound financial basis had been established; the *Bulletin* had been inaugurated and was already giving a distinctive service; and at least in some of the regions quite promising activities had been launched. On the whole he felt we could look with some satisfaction on our first year and with some confidence to the future.

#### **4. Report of the National Officers for 1967-68**

This has been printed in *Bulletin 3* of the Society and was now reviewed by the AGM.

- (a) Membership: On this, the question was raised of the comparatively small list of "non-co-operative" organisations included so far in the Society, and various members promised to do what they could to improve this figure. In general, there was agreement that in this first stage a useful membership had been built up and that the immediate task of the Society now was to show by fruitful work that it could retain and expand the membership so far achieved.
- (b) The Bulletin: There was general commendation for the format and content of the three *Bulletins* which had so far been issued. A question was raised about the definition that the Bulletin was not intended to "serve as a 'learned' journal for the publication of the results of the research". It was explained that this was not intended to exclude material directly arising from the work of the Society whether the material was the outcome of research or the compilation of reports of discussions in the regions.
- (c) Kindred relations: Attention was drawn particularly to relations developing with the British Committee for Public and Co-operative Enterprise (PACE). On the question whether separate and distinctive roles could be maintained for it and for the Society, there were noted, on the one hand, the preoccupation of the Society with the range of co-operative interests, its particular concern with co-operative education and training and its development of a regional structure; and, on the other hand, the value of PACE in bringing together co-operators, trade unionists and politicians. Each appeared to have its special function but, of course, relations between the two should be close and should be kept under review.
- (d) Finance: A cash and bank account from the formation of the Society up to 31st March 1968 was distributed to supplement the accounts given in the Annual Report up to 17th February 1968. The later statement was reviewed and satisfaction expressed with it - though it was appreciated that the cash at bank of 31st March 1968 did not represent any disproportionate reserve. Special appreciation was expressed for the gift of £20 from the League of Co-operators - to Mr. and Mrs. Higgins who were present at the AGM and to Mr. C. E. Buck, the Secretary of the League, who had been specially active in making this donation. A question was raised of the availability to the regions of funds for the development of their work and it was explained that, within the limited resources available and where there was some reasonable prospect of the expenditure being productive, such expenses as the travel of visiting speakers, etc, could be covered.

#### **5. Appointment of officers for 1968-69**

Thanks were expressed to all the Officers who had served in 1967-68 and, for the following year, the following motions were carried:

- (a) That all the Presidents should be re-elected.

- (b) That Mr. T. E. Stephenson, University of Leeds, should be Chairman (sic).
- (c) That Mr. W. E. Lawn and Dr. T. Carbery, University of Strathclyde, should be Vice Chairmen (sic).
- (d) (d) That Dr. Wilson should be invited to attend meetings of the National Officers in 1968-69 so that his experience was still available to the Society and that a further year of service in this way from the retiring Chairman should be annually maintained.
- (e) That Mr. R. L. Marshall should be Secretary and Treasurer.
- (f) That Miss Abbott and Mr. Marshall should be Editors of the *Bulletin*.

## 6. Future development of the Society

This had been set as the main theme for the further discussions of the AGM, and Professor Pollard and Mr. Marshall had been asked to introduce it. The following notes record briefly their introductions and the variety of points that were made in the ensuing discussions. It was envisaged that the National Officers would consider the record and select the specific lines of action to be followed in the year to come.

### (a) Professor S. Pollard

He referred to two developments on the university level, one of them not very favourable to the interests of the Society and the other perhaps more helpful. First, it had to be acknowledged that the teaching resources of universities were scarce, so that there might be less response to requests for the formation of courses for co-operative officials, directors, etc. Secondly, however, there were developing possibilities of money being available for research provided a good case could be made out for it, particularly in the social sciences. Along the second line therefore the Society would wish to consider possibilities such as these:

- (i) Grants from the Social Sciences Research Council.
- (ii) Grants from other funds, for example in the area of management studies.
- (iii) Grants from co-operative societies to establish certain appointments which might later be taken within the financial framework of the university.
- (iv) The influencing of research students to select co-operative topics-and a factor in this would be the willingness of co-operative societies to open their records to such investigation.

### (b) Mr. R.L. Marshall

In his view the national structure of the Society was firm and representative enough but the regional framework was still rather insecure and sporadic. When we looked for signs of response and life within that structure there was some limited encouragement to be obtained. There had been some achievement in providing regularly fairly complete accounts of current co-operative research and studies in accordance with the objectives of the Society - though there was no evidence yet that this compilation was in fact influencing the development of such research and studies. Then the engagement between co-operators from various levels of the Movement and universities and colleges has been extended and made more systematic, but the productivity of that engagement had still to be proved. There was

need in the immediate future to show a quite positive role for the Society in practical terms and he raised two particular points:

- (i) Should the Society prepare, if necessary commissioning, study material nationally, which could be distributed to the regions as a basis for the discussion of some current topic of importance? Regional views could be sent up to the National Officers who, with the aid of an editor or panel, would then consider whether a report on the topic should be prepared. This would have the benefit of making an identifiable contribution from the Society to the discussion of some major co-operative problem and would also provide a basis for regional activity - though he was not suggesting that this should be a "compulsory" activity for all regions nor that it should be the only activity in any region.
- (ii) Research in any depth could be undertaken effectively only by qualified individuals and they could do it only if resources were available to support them in that task. Where then were these resources to be found and how were they to be organised? Mr. Marshall felt that one line of progress would be to establish a small research unit under the joint direction of the Co-operative College and a neighbouring university. He believed the university would be receptive to the possibility: he had the assurance of some money and the hope of more; and would like to envisage the inauguration of this kind of work within a year or so. The preoccupation of this research would be with the problems of the Movement in the comparatively long-term future; to ask what would be the economic and social conditions within which the Movement would be operating in five or ten years' time and what guide lines can be laid down now to help its response to these conditions.

(c) Regional activities

Points made in the discussion were:

- (i) Some scepticism about the value of the regional groupings becoming "talking shops".
- (ii) Some further emphasis on the need for regional dialogues which would involve both the- "academics" and the experienced co-operators in bringing their experience to bear on current and future issues.
- (iii) The value of regional activities in helping to develop the content and methods of co-operative education and training.

(d) University courses for co-operative officials and directors

A point made in discussion was that in some universities, because the number of social studies students was limited in order to leave places for students in the sciences, there might indeed be further resources for extra-mural classes for such co-operative groups.

(e) Research

Points made in discussion were:

- (i) Widely and emphatically that research that looked ahead to the conditions in five or ten years' time was urgently needed.

- (ii) That, in one or two societies, investigations were already being organised on a small scale to pursue investigations about the changing conditions of distribution and of consumers.
  - (iii) That, following the centenary gift from the SCWS to the University of Strathclyde there was a prospect of two research fellows who would include co-operative interests in their scope.
  - (iv) That university departments might be quite likely to respond to requests for them to undertake pieces of "operational" research, particularly if the material for that research were readily made available. Larger scale research would have to fit into the existing range of the department's interest.
  - (v) That additional means of getting research undertaken into Co-operative topics would include the provision of bursaries amounting to about £500 for MA candidates; encouragement to HND students in technical colleges to select co-operative topics for their projects; and the commissioning of post-graduate students to undertake small-scale investigations.
  - (vi) That the availability of resources from the Industrial Training Boards for the promotion both of co-operative research and co-operative studies was a possibility that needed to be carefully watched and developed.
  - (vii) That there were many topics needing research ranging from the problems of democracy in regional Societies to the problems of capital for co-operative development, from the application of "value-added" taxes to the possibilities of unified action in the Movement, etc.
- (f) The next stage
- There was considerable stress on the importance of the Society concentrating its efforts in the immediate future on one or two lines of development selected from the wide range of possibilities open to it. It was envisaged that the National Officers would review the various suggestions made at this AGM and select such priorities.

## 7. Annual General Meeting 1969

It was agreed:

- (a) That in general there was a value in the AGM moving among different centres including a resort to the Co-operative College possibly about every third year.
- (b) That the next AGM should if possible be held at the University of Manchester.
- (c) That the dates should be Friday and Saturday, 11th-12th April, 1969 -providing two sessions on the afternoon and evening of the first day and one session on the Saturday morning.
- (d) That, in 1969, one session be the business meeting of the Society and that the other two be based on papers reporting research carried out or in progress.

## Lines of Development for 1968-69

### A review by national officers

In a wide-ranging discussion at their May meeting, the National Officers of the Society for Co-operative Studies reviewed the report of the Annual General Meeting given on the preceding pages of this Bulletin and sought to identify some lines of concentration for 1968-9. In the outcome, the main points were:

#### 1. General

There was agreement that the concern of the Society was not to assume any of the executive responsibilities which belong to the official agencies of the Co-operative Movement but to encourage and share in the exploration of the problems and developments which lay beyond these immediate tasks.

#### 2. Increasing the Membership

It was noted that, in some regions, an urgent need was still to build up a group of members of a size which could sustain an appropriate programme. There was interest in the scheme under consideration in one region for sponsoring a social occasion such as a wine and cheese party to bring "Co-operators" and "Academics" together by individual invitations and at a charge, and to use the occasion to increase the membership.

#### 3. Programme for 1968-69

The Officers acknowledged the emphasis at the AGM on the importance of the Society concentrating its efforts in the immediate future on one or two lines of development and the expectation that the National Officers, after reviewing the various suggestions at the AGM, would select such priorities:

##### (i) Study Projects

After reviewing various topics that might be promoted in the regions, it was agreed:

- that two areas of study and discussion should be suggested: the Future of Co-operative Democracy-particularly in regional societies; and the "National Structure of the Movement", particularly the relations between the trading and the non-trading federations. It was not of course envisaged that these topics should be "compulsory" for all regions or that they should represent the only activity in any region.
- that Dr. Wilson and Mr. Watkins would prepare notes respectively on these topics which would seek to provide a framework for discussion. It was appreciated that regional groups might well adopt their own framework and, even if they adopted the suggested pattern initially, they might well pass later to other lines of enquiry.
- that regional groups be invited to send in reports of their discussion and views by the end of January 1969 so that these could be considered as a basis for a report to be published in the *Bulletin*.
- that a general intimation of the intention and of the topics be made in *Bulletin No. 4* with the promise that the more detailed notes would be distributed early in

September. This was based on the expectation that Dr. Wilson and Mr. Watkins would be able to submit their material to the Secretary and Treasurer within a month.

(ii) Research

It was acknowledged that systematic research depended upon the commitment to it of qualified individuals and this in turn depended on resources adequate to support such individuals and their work. Sources of such money for research as set out in the report of the AGM were reviewed and ways of carrying forward the help of the Society for research discussed:

- by disseminating information of research which was already being undertaken and of developing a sense of common interest among the participants.
- by providing opportunities for research workers to report to regional and national meetings.
- by helping in gathering information for such research from the members of the Society whose sympathy could be counted on.
- by the members of the Society helping when they could in support of co-operative research from the sources available.

The National Officers agreed to keep this aspect of the Society's interest under review and further discussion.

# **The Active Co-operator**

## **John Whitfield**

The Society for Co-operative Studies has rightly chosen to emphasise two concerns. Research into topics likely to be of fairly direct benefit to co-operative management and business organisation is one. The other is the further training and specialised education of managers and employees. But there is also a third concern, which, though perhaps not of such direct importance, should be recognised as having a secure place in co-operative studies. The co-operative movement is a unique social phenomenon, important both for its principles and for its practice. It would be regrettable if neglect of this aspect of the movement came about by default. Many co-operators still display concern for and about the principles of the movement; debate about the relevance of the co-operative philosophy is continuing. Reference to this aspect is necessary to a full understanding of the movement.

In comparison with the Labour Party and the trades unions, the co-operative movement has been neglected as an object of study. Such study as there has been, has concentrated on the history and the economic growth of the movement. Reference to co-operative philosophy and democratic institutions has appeared rather more incidental. A number of studies have been primarily concerned with the latter aspects. As an historical part of the labour movement the co-operative movement can be proud of its claim to a prominent place in social history.

The democratic aspect of co-operation is also of immediate relevance. Debate about regionalisation has prompted discussion of the forms to be taken by democratic control in the new retail societies. Information about the nature of participation in the democratic government of present-day retail societies can contribute to that discussion. This contribution also has a general interest. The expansion of sociological studies is in part a consequence of a growing realisation that the ways in which society works are often very complicated. Interest in this field is increasing. Just as the co-operative movement deserves a substantial part in historical studies, so it must press its claim in sociological studies. The immediate utility of such studies may not be persistently apparent, but their value is not therefore to be lightly dismissed.

As a contribution to the establishment of the suggested claim, this brief article will concentrate on one aspect of the co-operative movement and indicate its position in sociological studies. It is hoped that co-operators may feel prompted to comment from the basis of their personal experience, and the sociologists will both criticise and also further examine the sociology of retail co-operation. Some results from a small survey investigation of the Burslem and District Industrial Co-operative Society Ltd., carried out at Keele University will be included to illustrate certain points. Such results refer only to that retail society.

### **The co-operative activist**

The co-operators who personally participate in the democratic institutions of their retail societies are clearly individuals important to co-operative democracy. Among their number



are committee members, directors, delegates to regional and national bodies, and the leading enthusiasts of the auxiliaries. They also provide co-operative representation, either formally or informally, in many other social institutions. Two principal aspects of these phenomena are important. Firstly, participation in co-operative democratic institutions begins for some activists a process of socialisation. As participants, new activists are in situations where new ideas legitimate new patterns of action. It is into these values and institutions that the activist becomes socialised. Secondly, continued active participation can be analysed partly in terms of how the member views society as a whole, their own position in it, and the evaluation s/he gives each. In other words, participation is to be taken to serve some function in the activist's life as a whole. This function may be uncomplicated, such as that of providing opportunities for social contact. Alternatively, it may be an expression of the interaction of social ideals and changing or static social position and relationships.

These two aspects clearly may interact. The latter may variously reinforce different stages of the former, or the progress of the former may produce changes in the latter.

### **Socialisation**

The process of socialisation can be divided schematically into three aspects: recruitment, ideology, and institutional. The latter two are concurrent aspects of all activist behaviour: the first is a special part of both. For socialisation recruitment is necessary. This implies that new activists attend sufficient co-operative functions to become fairly well acquainted with co-operative ideals and practice. Recruitment thus involves more than a simple visit to a guild or members' meeting. A single visit can have the same proximate cause as a visit intended to be the first of a series of experimental attendances: for example, the casual invitation of a friend. Recruitment so defined permits the new activist to acquaint himself with the principal aspects of a new organisational milieu. If socialisation is to continue from this stage, then the new activist must have been persuaded that co-operation has something to offer him. It may often be the case that after a short period of participations, the activist reverts to being an ordinary member.

In the study of the Burslem Society it was found that, among the activists at the time of the study two different patterns of attendance occurred. During the period 1960-1966 the Society held twenty-eight quarterly meetings. Two-fifths of the activists had attended at least three-quarters of these meetings. The remainder had all attended fewer than half and most, fewer than a third of the quarterly meetings. This grouping was not found to be associated with any factors likely to give it a special explanation. It seems probable that the Society successfully holds the interest of only a small proportion of those who ever attend its business meetings. A variety of causes for such reversion can be identified. Among them are the lack of developed ideas about the aim of co-operation, the lack of opportunity for the activist to immediately and directly participate in important decisions and the, often unattractive, nature of members' business meetings. Many co-operators are aware of possible remedies.

### **Co-operative ideology**

Co-operative ideology refers properly to the philosophy and basic legitimating values of the co-operative movement. No value judgement is implied. Co-operative ideology has several

useful functions. It links the activist's personal situation and aims to an institution. It serves centrally in passing on a pattern of action to new recruits. It also offers the value of local co-operative auxiliary activity.

There are clear difficulties to the empirical investigation of co-operative ideology. In the Burslem Society study connections between the activist member and the society were examined so as to include an indication of the ideas and the knowledge of the society itself involved.

The indices chosen for the limited examination of co-operative knowledge, etc., among activists were the following. The type of reason given for joining their co-operative society, the number of board members known by name, degree of acquaintance with co-operative publications and knowledge of two basic problems facing the co-operative movement. Reasons for joining their co-operative society could be conveniently grouped into four categories: references to family habit or parental example, specific mentioning of the dividend, financial advantage or commercial convenience, the employment of the respondent or a relative, and reference to the ideals, and principles of co-operation. The following table shows how the replies of three types of survey respondents fell into the various categories.

**Table 1: Reasons for joining a retail co-operative**

Type of member	Family %	Trading %	Employment %	Principle %	Don't know %
Activist Member	25	27.5	22.5	20	5
Guild Member	43	43	4	4	6
Ordinary Member	42.5	41	5.5	1	9

The extent to which these replies represent accurately the true reason for joining, or include subsequent colouration or learning is not clear. It probably varies between the groups of respondents.

Knowledge of board members and of problems facing the co-operative movement can be considered as evidence that activists are to a certain degree sufficiently informed to contribute to co-operative government. Such knowledge indicates the quality of the community of activist members around the society.

The activist members of the Burslem Society were found to be able to name on average 4-2 members of the board of directors.

The extent to which activists read co-operative publications was also investigated. *Platform* and *Co-operative News* were chosen. The *Sunday Citizen* was taken as a publication sympathetic to the co-operative movement, and consequently likely to carry a substantial amount of news about it.

**Table 2: Active readership of co-operative publications**

Publication	% readers
Platform	10
Co-operative News	80
[Regular readers of Co-operative News]	[60]
Sunday Citizen	30

Activists were asked whether they knew the attitude of the Co-operative Union to the then recently imposed SET. Half the activists knew that the Co-operative Union opposed the imposition of SET. The second question used to determine the economic knowledge and awareness of the respondents was a request for a reason for the changeover to self-service in retail outlets, ("This change is now a general trend in this country. Can you give me an explanation of why it is happening?"). If a respondent gave a reason which could be taken to be a 'structured' reply in an economic sense, then that respondent was considered 'informed'. Only a quarter of the activists gave acceptable replies.

It has been possible here only to briefly indicate empirical findings about the socialisation with respect to recruitment and knowledge of the co-operative movement. However, it would be of interest if the experience of co-operators elsewhere could be made available.

**Author**

At the time of writing the article, John Whitfield was a Research Officer in the Nuffield Research Unit in Statistical Sociology at the University of Keele.

## International Notes

**W. P. Watkins, J.P., B.A.**

### **A study of co-operative democracy**

*France.*

It is, of course, no mere coincidence that the elder sister organisation of the Society for Co-operative Studies, the French Institute of Co-operative Studies, is also engaged on a study of democracy in the Co-operative Movement. The French Consumers' Co-operative Movement, although it is much further advanced in regional organisation than the British and although a number of its regional societies have long possessed internal representational structures based on a network of local "sections", enabling active members to play an effective role in their societies' administration, is well aware that the reality of democracy is not to be found in machinery and that the Co-operative Movement is alive just in so far as its democracy is effective and dynamic.

The Institute of Co-operative Studies has recently launched a research project under the direction of the chairman of its administrative board, Professor Georges Lasserre. In March, a brain-storming session was held for which Professor Lasserre prepared a fascinating interrogative pre-report. This somewhat outlandish term is a literal translation of the French "pré-rapport interrogatif" but the meaning is clear enough. If the project is to yield the right answers, those participating must first ask the right questions and, in a brochure of thirty-five typed pages, this is exactly what Professor Lasserre has attempted to do; relating his questions to facts already well known and to current thinking. The purpose is to reveal lines on which further research may profitably proceed.

In his introduction, Professor Lasserre observes that in our day Co-operation has to be judged no longer by its principles, that is, its intentions, but, as we judge the other economic sectors; by its performance and achievements. The decline of democracy, which afflicts also the friendly societies, trade unions and political parties, is less pronounced in the workers' productive societies than in the agricultural societies and less pronounced in the agricultural than in the consumers' co-operative societies. It should be noted that the two types of producers' co-operation are in France relatively stronger in relation to consumers' co-operatives than their corresponding movements in Great Britain. But in all, democracy is dwindling and tends to become a fiction like shareholders' control in the capitalist sector. The problem is, therefore, no longer how can the masses conquer the power to which they aspire? But on the contrary, how can we convince the rank and file to exercise the power they constitutionally possess?

There follow five parts. The first attempts a diagnosis of the crisis of democracy, with reference to technocratic tendencies, apathy, defects of democratic machinery and the present dilemma, whether current tendencies are to be accepted or counteracted. The second part brings together some basic data and assumptions; the third deals with the sovereignty of the members in their societies and how it should be exercised. The fourth part considers the role of the "militants", by which is meant the whole body of convinced and active members whose function is to animate the mass and to act as a counterpoise to

the management. The fifth and concluding part discusses the motives which compel people to join co-operatives and keep them more or less loyally attached to them and poses the uncomfortable question whether, in the agonising reappraisal of co-operative thinking today, it is necessary not only to face doubts about the means adopted by the Movement but also the ends it should set before itself in a changing world.

It is the intention of the writer of these notes to follow as closely as possible the working out of the Institute's project and to report its progress from time to time in the *Bulletin*.

### **A co-operative for education and training**

*France.*

One of the notable features of co-operative development in certain Western European countries within the last decade is the formation, on similar lines to workers' productive societies, of co-operatives of members of the liberal professions - doctors, lawyers, architects and town-planners and so on. In Great Britain, this type of society [for architects, surveyors, and town-planners] is represented by Co-operative Planning Ltd. In Paris, since 1961, there has existed a society of educationists, the object of which is to provide organisations having little or no educational or training apparatus of their own with advice and skilled assistance in arranging courses for staff training or member enlightenment. This society, bearing the title Institut Promotion Animation (IPA) has its headquarters in Paris and regional suboffices in Tours and Toulouse. Its clientele includes national organisations of the workers' productive and agricultural Co-operative Movements, business undertakings, trade and professional associations, government ministries and public enterprises, trade unions, and many other types of association.

Inevitably, in the course of its activity the IPA has accumulated a considerable fund of experience of adult and technical education of various types. This fund it endeavours to make available to anyone interested through seminars at which experience is exchanged and principles of educational method, particularly applicable to the needs of adults at the present time, can be worked out. The IPA attaches special importance to the training in method of those who themselves are responsible for or engaged in training personnel for manual or intellectual labour or for management, as well as for the non-vocational education of adults, which results in a richer and more effective civic or social life.

Two connected seminars held this year at a centre near Beauvais seem from the prospectus to be especially valuable and stimulating. The first, already held in March, dealt with method in adult education with the object of defining a new pedagogy adapted to the needs of adults in the society of tomorrow. While remaining independent and evolving its own methods and techniques, this pedagogy, says the prospectus, will utilise the findings of all the humane sciences - sociology, social psychology, economics, logic, so as to create a synthetic discipline in continual evolution. The second seminar, to be held in June, has the theme "Adult Education, Society and Values". This will be treated in such a manner as to show how adult education not only reflects current social structures and philosophical ideas but also reacts upon them.

Another pair of seminars deals with the tests of the effectiveness of training and training methods. In France, as elsewhere, it would appear that the classical examination system, as a means of measuring the results of training, is no longer regarded as meeting contemporary needs. It is, therefore, necessary to consider what other instruments can be discovered or evolved which could permit a more accurate evaluation of results.

### Author

Mr. W. P. Watkins was at this time, a President of the Society for Co-operative Studies and a former Director of the International Co-operative Alliance. He was to report regularly on co-operative studies abroad.

### Notes

Co-operative Planning Ltd was founded in 1946 and affiliated with the British Co-operative Union (now Co-operatives UK) by Henry Moncrieff. It was deemed to be the first architects co-operative (Twentieth Century Society, 2017). Working mainly in London, the co-operative development housing for a number of the larger housing authorities. In addition, the organisations' chair (1964-74), Harold Campbell, was active in promoting co-operative housing and the Scandinavian co-ownership model (Birchall, 1991), and a dominant mover regarding the regulations behind the registration of housing associations. He was also founder of the Co-operative Development Agency (established under a Labour government in 1978), which aimed to co-ordinate and support the development of co-operative activity (see, for example, Cornforth, 1984; for an interesting exchange on the second reading of the bill to set up the agency, see Hansard 6 April, 1978).

Georges Lasserre (1902-1985), professor of political economy, was chair of the steering committee of the Institute of Co-operative Studies from 1959-1972. He was also the editorial secretary for [Revue des Études Coopératives](#)

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## **Editorial Note**

### **Society for Co-operative Studies Bulletin, 5, September 1968**

This Bulletin has a new feature. It contains notes on two important topics specially prepared as a basis for local discussion.

At the Annual General Meeting in April the discussion emphasised that it was important that the Society should concentrate its efforts in the immediate future on one or two lines of development. After reviewing the various suggestions made, the National Officers selected two topics that might be promoted in the regions for study and discussion. These are: "The Future of Co-operative Democracy", particularly in regional societies, and "The National Structure of the Movement", particularly the relations between the trading and non-trading federations. Dr. Alexander Wilson and Mr. W. P. Watkins were invited to prepare notes to provide a framework for discussion and these notes are given on pages 10-18.

Regional groups are invited to send in reports of their discussion and views to the Secretary and Treasurer of the Society, at Stanford Hall, Loughborough. We look forward to receiving, by the end of January 1969, reports from groups on their discussion and views so that these may appear as a report in a future Bulletin.

Mr. R.L. Marshall, Co-operative Union

Miss J.M. Abbott (1969-@1970)

## Reports from the Regions

A new academic year is about to begin and the reports from branches indicate the promise of recommencement of meetings after the summer break.

### Midland

*Acting Joint Conveners:*

Mr. C. S. Nuttall, B.A.,

Staff Tutor in Economics, Department of Extra-Mural Studies, University of Birmingham

Mr. Lloyd A. Harrison, C.S.D.

Managing Secretary, Nottingham Co-operative Society.

The next meeting of the branch, as mentioned in Bulletin No. 4, will be held on 28th September at Union Street, Leicester.

### North

*Acting Joint Conveners:*

Dr. J. Stevenson, Ph.D., IUR.D., B.A.(Hons.).

Principal, Monkwearmouth College of Further Education.

Mr. W. Martin Reed, C.S.D.,

Secretary and Chief Executive Officer, Newcastle Co-operative Society.

No meeting has been held during the period under review, but arrangements are in hand for one to be held towards the end of September or beginning of October.

### Yorkshire and Humberside

*Acting Joint Conveners:*

Mr. T. E. Stephenson, B.A. (Dunelm), Department of Management Studies, University of Leeds.

Mr. S. P. Clarke, C.S.D.,

Secretary and Chief Executive Officer, Bradford Co-operative Society..

A further meeting of the conveners has been held and the annual general meeting of the branch arranged for Thursday, 26th September, in Leeds, when the subject will be either "Democracy in a Regional Society" or "Problems of Mergers".

### North-West

*Joint Conveners:*

Mr. J. F. H. Roper, M.A.

Faculty of Economic and Social Studies, University of Manchester.



Mr. F. Bruckshaw  
Editor, Co-operative News

The next meeting of the branch will be held on Friday, 27th September, on Bolton Society premises at their invitation. It is hoped that other retail societies will also offer to act as hosts and that this pattern of visiting societies will give strength to the membership.

### **Scotland**

*Acting Joint Conveners:*

Dr. T. F. Carbery, M.Sc. (Econ.), D.P.A.,  
Senior Lecturer, Department of Commerce, University of Strathclyde.

Mr. G. R. Gay, J.P.,  
President, St. Cuthbert's Co-operative Association.

Consideration is being given to holding a Wine and Cheese "Conversazione", at Strathclyde University on Friday, 6th September, during the International Co-operative Alliance Meeting in Glasgow. It is intended to offer delegates the opportunity of attending at an economic charge and also to invite academics and active co-operators to attend the function on the same basis.

### **South**

*Joint Conveners:*

Mr. Peter Shea, B.Sc.  
Senior Lecturer in Educational Psychology, Hockerill College of Education

Mr. John Walker, Assistant General Manager, Luton Industrial Co-operative Society.

Mr. John Walker, Assistant General Manager of the Luton Society, has accepted the invitation to act, along with Mr. Peter Shea, as a convener. Members of this branch have undertaken to produce material and documentation on the development of democracy within large and regional co-operative societies. Contact is also being made with certain selected societies with a view to accumulating information about structure and possible development; this material will form the basis of further research.

At the next meeting to be held in October it is hoped that a member of the John Lewis Partnership management will speak on the democratic structure of a large and private retail organisation.

### **South-West**

It is hoped shortly to appoint two acting joint conveners.

### **West**

*Acting Joint Conveners:*

Mr. W. E. Jenkins,  
Extra-Mural Department, University of Swansea.

Mr. M. E. Morgan,  
Group General Manager, Swansea C.R.S.

A further meeting was held on 8th July to discuss the question of Capital in the Western Section. A document upon the problems was drafted and considered and a further examination into Investment Trends is proposed for the next meeting to be held early in September. It is hoped to obtain University assistance in a research project when the initial discussions have been completed by the Working Body, which was set up to examine specific topics and promote research, and has now been extended to twelve members to accommodate a wider range of experience.

This update on the development of regional activities was first published in the *Society of Co-operative Studies Bulletin* 5, September 1968, pp. 5-7

## **Current Co-operative Studies and Research**

### **Courses in prospect for session 1968-9**

Discussions continue on further courses for the forthcoming session.

#### **Midlands**

Birmingham University Department of Extra-Mural Studies in association with Co-operative Union Section: a two-year seminar for study and research for managers on the Co-operative Movement.

Leicester University in association with Co-operative Union Section: a course in management accounting and marketing for senior management.

Nottingham University in association with Co-operative Union Section: under discussion, a course for senior management.

Derby College of Technology in association with Derby and adjacent societies: a ten week half-day release course on management accounting and budgetary control.

#### **North**

Durham University Business Research Unit in association with Co-operative Union Section: under discussion, courses for management personnel.

Rutherford College of Technology in association with Co-operative Union Section: under discussion, a course for retail management personnel.

#### **Yorkshire and Humberside**

Hull University in association with Co-operative Union Section: under discussion, a management development programme for Hull Society.

Leeds University in association with Co-operative Union Section: under discussion, a course on "Business Policy and Problems of Mergers" for chief executive officers.

Sheffield University in association with Co-operative Union Section: under discussion, a course on "Investment Knowledge and Appraisal" for senior management.

#### **North-West**

Manchester University in association with Co-operative Union Section: a course on "Management in Retail Distribution" for chief officials and senior departmental managers.

Manchester University in association with Co-operative Union Section: a course on "Structural Change in Retailing: The Problems of the Co-operative Movement" for directors of retail societies.

## **Scotland**

Scottish Woollen Technical College Management Section in association with Co-operative Union Section: seven-week course on "An Introduction to Contemporary Management Problems" for board members and senior employees.

University of Strathclyde in association with Co-operative Union Section and the National Co-operative Managers' Association: a seven-week course on marketing: for middle management.

University of Glasgow Extra-Mural Department in association with Co-operative Union Section: under discussion, courses for board members in Glasgow, Kilmarnock, Falkirk and Alloa.

## **South**

College for the Distributive Trades in association with Co-operative Union Section: a course for senior managers.

Oxford University in association with Co-operative Union Section: a course for senior managers.

## **South-West**

Bath University of Technology in association with Co-operative Union Section: under discussion, a course for officials .

## **Research in progress**

### *Yorkshire and Humberside*

Leeds University:

Level of Decision-making in the Board Room. Mr. T. E. Stephenson.

Role of the Chief Executive Officer. Mr. T. E. Stephenson.

### *North-West*

Manchester University:

Business Ratios in Co-operative Societies. Mr. J. Roper.

The Co-operative Movement in Sweden. Dr. A. Wilson.

Keele University:

Democratic Participation in a Co-operative Society. Mr. J. Whitfield.

Manchester College of Commerce:

Retail Investments in Co-operative Societies. Mr. D. Hopwood.

### *Scotland*

Heriot-Watt University:

Labour Relations in the Consumer Co-operative Movement. Mrs. J. Paterson.

Strathclyde University: Co-operative Accountancy. Mr. L. Oakes.

## A. The Future of Co-operative Democracy

Alexander Wilson, M.A., D.PHIL.

The great pride of the Co-operative Movement has not been, as so many co-operators have tragically held until recently, the dividend on purchases, but the democratic framework of government for its constituent societies. Nowadays, however, co-operative democracy is no longer revered as the glorious principle of co-operation. Many staunch co-operators regard it almost as a sacred cow which has lingered on almost lifeless since the early part of the century, and which may stand in the way of speedy decisions now necessary for the revitalisation of the movement. In many areas it has been shown to be synonymous with local oligarchy, member apathy, parochial attitudes and/or amateur interference in management affairs. In general there has been extreme difficulty in reconciling local democracy with business efficiency.

The survival of the co-operative movement as a significant social and economic force in the last quarter of the 20th century will demand drastic improvement in its business efficiency. This patently requires re-organisation of the whole productive and distributive structure of the movement on national or at least regional lines. If this re-organisation is to make trading sense it cannot be encumbered with anything similar to the present conception of co-operative democracy.

Democracy implies compromise, and in a democratically governed business, it implies compromise by the managers. This may be often frustrating, but it is not suicidal so long as the objectives of the organisation are clearly defined.

Co-operative democracy, therefore, has to find a way of ensuring that the business objectives of societies are clearly laid down. As far as its professional managers are concerned, these business objectives and policies have got to make it possible for them to survive effectively in the market place. For those co-operators who have a rooted dislike of the market place, the answer must be for them to keep out of co-operative business decisions until they have effectively changed the social environment.

### **Some dangers**

There are two dangers which must be faced:

- a) that the democratic machinery of the movement will continue to be operated in such a way as to excessively handicap the professional managers on whose energies and abilities the movement depends for trading prosperity, and
- b) that in the present state of semi-democratic autonomy, the most viable part of the movement will, willy-nilly, be forced to take over complete control of the movement. In the absence of structural change in the co-operative movement, the CWS (and SCWS) will take over in the next ten years, possibly in the next five. This would not be a bad thing for co-operative trade, but it would hardly be democratic.

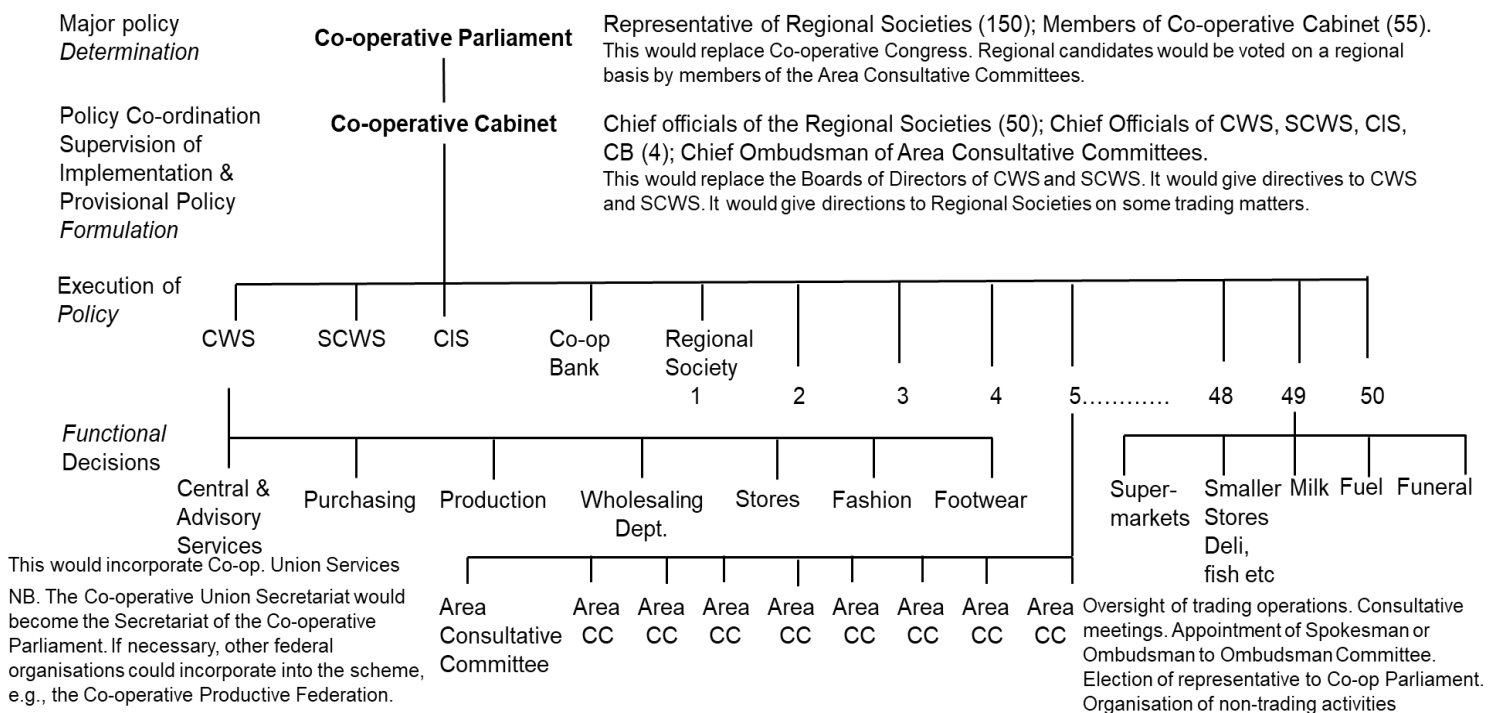
There is also a lesser danger, which is that even after structural re-organisation into regional societies, these societies will refuse to co-ordinate their policies within a national framework.

In many fields of enterprise this would reduce the potential benefits from a revitalised wholesale-retail partnership.

### A proposal

The following proposal is designed to introduce a meaningful measure of democratic rights and responsibilities for individuals and societies at the national level, without destroying the degree of democratic participation in, and supervision of, co-operative activities at the more local level which is still feasible. There has been great merit in the ability of co-operative societies to offer ordinary men and women the opportunity of active participation in running their own business. This feature has distinguished the Co-ops from other trading organisations. There is no good reason why it should not continue to do so, even if the machinery of control undergoes substantial alteration. Either the co-operators will have to control their professional management teams within a national framework within the next ten years, or the professionals will control the movement - from force of trading and capital pressures.

### A proposed new structure for the Co-operative Movement



The Board of Directors of each Regional Society would comprise of the Chief Official and the Chairman of each ACC. The members of each ACC would be elected by local shareholders of the society. An agreed proportion of turnover would be at disposal of ACCs for member activities, communication, and local community purposes. National policy decisions would be laid down by the Co-op parliament and worked out by the Management Executive of Regional Societies, unless vetoed by Co-op Cabinet. Within national policy Regional Boards would have responsibility for major regional policy decisions. Ombudsmen would have right to object to implementation of policy at regional level to Co-op Cabinet, and to Co-op Parliament.

### Note

In deciding whether the proposed new structure for the Co-operative Movement makes sense or not, one has got to be fairly clear on what are one's objectives, and what sort of strategy one is prepared to adopt to try to realise these objectives. It is only fair to state as boldly as possible what my own objectives and strategy are.

### *Objectives*

- a) Conversion of movement into a Consumers' Friend Organisation - for consumers of all classes - with great countervailing power in the field of distribution.
- b) Provision of a great chain of co-operative stores capable of maintaining the best competitive standards in attractiveness, convenience, quality of service, and merchandise.
- c) Effective consultation for consumers in the operations of co-operative trading.

### *Strategy*

- a) Re-organisation of the movement's trading operations along lines dictated by the logic of emerging trends in distribution. This implies a determination to regroup trading arrangements on whatever appears the optimum scale of operation - even where this cuts across traditional patterns or involves drastic re-allocation of control and resources. Greater flexibility in short-term trading tactics is essential.
- b) Modernisation of the shops and image of the movement. Modern regional warehousing would be linked with large modern retail units (say about 8 to 10 grocery warehouses linked with 500 to 600 large retail stores). Aggressive promotion of the new image.
- c) Determination to think big wherever the need is clearly indicated - as in fashion goods, footwear, department store organisation and structure. Also in terms of co-operative democracy. Here the debate has got stuck for years in the same groove at a parochial level. The general practice has been to achieve local oligarchy, parochial outlooks and member apathy at the expense of confused management of the business side of the movement. This has reflected the basic distrust amongst co-operators of size and power in organisations - even co-operative organisations.
- d) Some flexibility in democratic control arrangements. Perhaps the upholders of traditional co-operative democracy will be right not to be won over to any reorganisation, however timely, unless they are satisfied that the resulting framework of government is not going to be some massive autocratic, or oligarchic and self-perpetuating arrangement. While top priority must be given to restoring the trading viability of the movement, one of our major concerns should be to avoid destroying the democratic element in the co-operative movement, but rather to make it a living reality. That is what it has never been at national level, and often what it has not been for some time at local level. Tomorrow's co-operative movement will look quite different to today's. Its members may also be quite different, and feel differently about the appropriate form of representation in policy making and control of the movement. We should be wary of crippling the rejuvenated movement with admirable theoretical strait-jackets. Leave a little room for evolution.

### **The author**

Dr. Alexander Wilson was Chairman of the Society for Co-operative Studies in its first year, and Director of Studies in Management and Industrial Relations in the Department of Extra-Mural Studies at Manchester University.

## **B. The National Structure of the Movement**

W. P. Watkins, J.P., B.A.

### **1. The Principle**

The International Co-operative Alliance Commission on Co-operative Principles [1967] calls attention, in Part II, Section 2 of its report, to the evolution towards larger operational units and "the enhanced role already played - and promising to be greater in the future - by unions and federations of co-operatives, as well as other secondary, even tertiary, organisations" [p. 18]. The report proceeds:

The secondary organisations which are created by the co-operation of co-operative societies are themselves undoubtedly co-operative organisations, with the same obligation as the primary societies of conforming to the essential co-operative rules [p. 18].

The Commission is here stating, not merely what should be, but also what does in fact normally happen in co-operative movements all over the world, whether their secondary organisations assume the legal forms of co-operatives, companies or civil associations.

### **2. The Institutions**

Secondary organisations, variously called unions or federations or confederations, may be formed to provide for their affiliated societies (a) economic services, e.g. wholesaling, manufacture, banking, insurance, or (b) non-economic services, e.g., legal and technical advice, publicity and propaganda, education, representation before public authorities.

In certain national consumers' co-operative movements, e.g. Great Britain, Austria, France, Finland, the two kinds of service are entrusted to separate federal bodies. In others, e.g., Sweden, Switzerland, the Netherlands, a single national federation provides both economic and non-economic services.

Where a co-operative movement has a national non-economic apex union or federation it is customary for the economic federations also to affiliate to it (besides the primary co-operatives) and for the constitution to provide for them to be specially represented on its governing organs.

### **3. The Machinery**

In all unions and federations supreme authority is vested by their constitutions in general assemblies or congresses of representatives of member societies, while elected administrative councils and/or executive committees are responsible for implementing congress decisions and the oversight of the work of the permanent officials. In many national federations, regional organisation, also on the federal pattern, was found necessary as an intermediate structure linking the central administration to the primary societies. However, with the development of road transport and telephonic communication this piece of machinery tends to fall into disuse.



The French Federation still retains a deliberative body intermediate between the Congress and the Central Administrative Council. This is the National Committee, meeting twice a year, with the function of supervising the execution of Congress resolutions by the central administration and the specialised national organisations (Wholesale Society, Bank, etc.). The National Committee is convened for a supplementary session in the year the biennial Congress does not meet and also when extraordinary circumstances demand it .

#### **4. The problems**

In the constitutions of these federations the following important groups of problems need to be resolved:

- a) *The distribution of voting power and congress representation among the affiliated societies:* shall there be equal or differential voting power? If the latter, on what basis? If the basis is not to be the societies' own individual membership, what other basis may be acceptable and still be democratic? Further, should any ceiling be set to the voting-power of the largest affiliates?

The views of the ICA Commission on Co-operative Principles may be gathered from the continuation of the passage of its Report already cited above.

- b) *The authority the federation, as representative of the whole movement, may exercise over its affiliates:* can independent self-governing legal entities be anything more than morally bound by resolutions of federal congresses? Can or ought the management of a primary society surrender any of its responsibilities to a federation? Should a federation be invested, in the interests of the whole movement, with powers of intervention, e.g. to avert or repair the effects of mismanagement? Should a federation have constitutional rights of consultation, e.g., in cases of large fixed investments, the appointment of chief executives, etc. ?

The importance of this group of questions arises from the imperative need for consolidation and the concentration of various vital co-operative functions in face of the competition of contemporary large-scale distributive enterprise and the trend towards oligopoly and monopoly. The cardinal question is: how can democratic authority be established so as to reinforce the unity of the Movement?

This question is not new in Great Britain. The National Co-operative Authority was set up in the 1930s but did not provide a permanent solution. The Final Report of the National Federation Negotiating Committee should also be studied in this connection. In 1967 two of the larger Consumers' Co-operative Movements on the continent, the French and the Federal German agreed to re-organisations which gave to the national federation or confederation unprecedented powers of direction over their affiliated societies. These are illustrated below by extracts from their new rules.

#### **France**

*Authority and powers of the National Federation in relation to its affiliated societies*

- Art. 1. The National Federation is the expression of the unity of the Consumers' Co-operative Movement of which it is the central organisation.
- Art. 2. (Objects) cl. 4. To define and execute the general policy of the Movement by promoting the penetration and extension of co-operative action in various fields affecting the economic and moral interests of consumers.  
cl. 7. To combine and organise the affiliated consumers' co-operatives and their unions in defence of their common interests.
- Art. 4. (Methods) cl. 3. To organise the administrative, commercial, financial, legal, fiscal and technical supervision of consumers' co-operative societies and unions of affiliated societies.  
cl. 5. To be responsible for the planning and expansion of consumers' co-operation in every sphere.
- Art. 8. (Conditions of membership) cl. 1. Societies agree to observe the rules laid down in the statutes and to apply the rules and resolutions adopted by national congresses.  
cl. 3. To submit their situation periodically for examination by the audit department.
- Art. 25. (General Commissioner for Control and the Audit Department). A General Control Commissioner is responsible for the financial control and the audit of the societies and the specialised national organisations. He (sic) is appointed for 6 years by the Central Administrative Council to whom he is answerable for the fulfilment of his functions. He reports on his activities to the National Committee. He has the right to be heard, if he thinks it necessary, by the administrative board, the audit commission and the general meeting of a society or union of societies. He may at any time request the competent audit commission to convene a general meeting. He may attend meetings of the administrative boards of the specialised national organisations.

### *Internal Regulations*

The following articles regulate the development of co-operative societies and the application of the plans:

- Art. 6. The Central Administrative Council of the National Federation is authorised to entrust to a co-operative society designated 'regional' the development of co-operation in a specified region.
- Art. 7. The Central Administrative Council of the National Federation is empowered to decide, with a view to the execution of the national plans, on the formation of societies of a regional or national character in the geographical areas of its affiliated societies.
- Art. 9. Every proposed amalgamation between regional societies shall be submitted to the Central Administrative Council of the National Federation.
- Art. 11. All disputes concerning the application of the rules under the present regulations shall be submitted to the bureau of the National Committee which shall decide equitably.

### **Federal German Republic**

A number of consumers' co-operatives have amended their rules recently so as to enable the Central Organisations to intervene effectively, whether by way of consultation or

authorisation or veto, in the internal decisions of these societies. Thus the section dealing with the powers and functions of the representative assembly exercising the powers of the general meeting contains the following clause:

Before the discussion of proposals for the amendment of the rules, the appointment and dismissal of members of the Management Board, as well as amalgamation and dissolution, the co-operative must obtain a declaration from the Confederation of Consumers' Co-operatives. The discussion of amalgamation and dissolution also requires a declaration of its attitude on the part of the Auditing Union. This declaration is to be communicated to the Representative Assembly before the resolution is put to the vote.

A further clause declares:

The Confederation of Consumers' Societies is empowered to submit proposals for the dismissal of members of the Management Board and proposals for the appointment or dismissal of members of the Supervisory Council.

The Confederation's authority is also required for the election of members of the Management Board. The present clause reads:

On the proposal of the Supervisory Council the Representative Assembly elects the members of the Management Board. Nomination and election are not valid unless a written declaration has been submitted by the Confederation stating that the person nominated has the requisite personal and technical qualifications for the post.

- c) *The democratic resolution of the situation where fundamental differences of opinion over policy arise between the federations responsible respectively for economic and non-economic services, e.g., if a Congress decision is unacceptable to either or both of the wholesale societies. Is amalgamation a possible ? - only? - remedy for this situation? What are the advantages of the single federation system? Are there also disadvantages? Do recent decisions of (a) the French (b) the Federal German Consumers' Co-operative Congresses suggest any solution for the British problem of unity of organisation and action on the national level?*

The Final Report of the National Federation Negotiating Committee is obviously relevant to these questions also. The French and German Movements, however, have found solutions which are not based on outright merger between the national economic and non-economic central organisations. Both retain the national non-economic union as the overall co-ordinating body, with the trading and financial organisations as special functional federations.

In France, the Wholesale Society has two representatives, the Bank and the Insurance Society have one representative each, on the Central Administrative Council of the National Federation. Their board members attend meetings of the National Committee but may not vote.

In Federal Germany, the consumers' Co-operative Movement is being completely integrated. The apex union is the Confederation (Bund) registered as a company in which the shareholders are (1) the consumers' societies; (2) the Wholesale Society and its subsidiaries; (3) other undertakings serving co-operative or communal purposes or mainly controlled by registered co-operatives, e.g. the Bank and Insurance Societies, which are joint enterprises of the co-operatives and trade unions. The foundation capital amounts to DM 175,000 of which the Wholesale Society holds DM 15,000.

The Confederation's objects are defined as the promotion of its members and their enterprises; the planning and co-ordination of business enterprises in distribution and production including finance, personnel management and training; collaboration in measures of policy and leadership in the members' over-riding interests and their co-ordination. The Confederation's governing organs are the Congress, the Advisory Council of 19 to 23 representatives of shareholders and the Management Board of 5 to 9 members. The Board may have 5 full-time members, two of the part-time members must be directors of the Wholesale Society.

The Articles of Association (§10) specify 12 distinct duties to be fulfilled by the member societies. The following are of special importance: to carry out the Articles of Association and the directives of the Confederation; to execute the resolutions of the Congress and the Confederation's governing organs; to provide the Confederation with all necessary information and give its officers access to their books; to permit the Confederation's representatives to attend their meetings; to consult the Confederation on such matters as amendments of rule, establishment of subsidiaries, change-over from dividend to discount system; to conform to the directives and decisions for the planning and co-ordination of business enterprises. While the Confederation's directives may be issued only in general terms, a co-operative may not depart from them without seeking the decision of the Confederation's Advisory Council.

The text of the rules of the societies granting the Confederation the right to intervene in their affairs has been given under 4(b), above.

### **The Author**

Mr. W. P. Watkins, was a President of the Society for Co-operative Studies, and a former Director of the International Co-operative Alliance).

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International Co-operative Alliance [ICA] (1967). *Report of the ICA Commission on Co-operative Principles*. ICA.[Internet Archive].  
<https://archive.org/details/ICARepoortCooperativePrinciples1967/mode/1up>

### **Notes**

The Commission on Co-operative Principles was set up in 1964 and its work completed in 1966.

# The Role of the Chief Executive Officer

T. E. Stephenson, B.A. (DUNELM)

The purpose of this paper is to provide a preliminary framework for an examination of the role of chief executive officer in a co-operative society.

The basic position is that the chief executive officer is involved in the management of an organisation which has to be viewed as a system, i.e. it can be considered in the following terms, as comprising a plurality of parts (individuals, small groups, units, departments, etc.) which:

- a) maintain themselves through their inter-relatedness
- b) achieve specific objectives, and
- c) While accomplishing (a) and (b) it adapts to the external environment; in doing this it contributes to its survival.

## Basic tasks

From this formal statement can be derived the essential basic tasks of the chief executive in the co-operative society; these are:

- i) to guide the society to the achievement of its objectives,
- ii) to maintain the internal stability of the society,
- iii) to adapt the society to its external environment.

The chief executive officer is primarily concerned with the total operation of the society in relation to its environment. This implies that he is concerned with something which is different from, and more than, the individual units considered separately; a co-operative society is more than simply a collection of separate departments. This concern for the total society must pattern the chief executive's activities; it means, among other things, that he has to avoid the error of equating (a) the notion of viewing things in their totality with (b) doing everything himself. The delegation of tasks and discretion must be a significant activity in his role.

Let us now consider in greater detail the three core tasks enumerated above.

## Achievement of objectives

The achievement of objectives is related to the need to define the society, to consider who is the society and what groups of people are involved in the society's operations. It is inadequate to think simply of members, directors, managers, and staff. It is necessary to consider those groups whose co-operation is essential to the success of the society, for example, suppliers. Further, the chief executive has to commit the society to a concept of itself and to force it to re-examine the appropriateness of that concept as conditions change. Basically the question is, what is the society? This leads to further questions: what customers are we interested in? What specific customer needs do we wish to satisfy? Which products will we include in our line? These are related questions and the answer to one limits the freedom to answer the others.

The chief executive officer is concerned with the definition of objectives for the society. The accepted objectives such as profits, share of the market, return on capital are often too simple, Their ambiguities are not obvious and they can be expressed numerically and so give an aura of objectivity; they also appear as logical measures of past performance.

They fail to indicate the complexity of the society's operations and make the chief executive officer focus attention on the society rather than on the relationship between it and the broader environment of which it is a part, In other words the chief executive's role involves him in the problems of corporate performance arising out of the society's interaction with its environment, rather than the result of factors wholly within the society.

This means that the chief executive is involved in the establishment of sets of objectives each corresponding to particular groups and institutions both within and external to the society. He has to determine how the society has performed in relation to these different objectives. The achievement of any one of these objectives may only be reached by:

- i) increasing the level of performance of the total organisation,
- ii) paying out what might have been saved for the future,
- iii) by raising pay-out to one at the expense of another.

Thus the chief executive officer is never concerned with a single objective but with a set, and the balancing of the claims of the various objectives is a critical aspect of his responsibility.

Clearly examination of the chief executive's role in the achievement of objectives involves consideration of his activities as a resource seeker and a resource allocator. He is concerned with obtaining the necessary supply of human, material and financial resources that are requisite to the achievement of the society's objectives. These resources may be internal to the society but often they lie beyond its boundaries and he has to propose to the board the necessary policies to obtain them. With the resources available he has to determine their allocation to various activities, in line with the declared preference ordering of the objectives.

### **Maintaining internal stability**

The second core activity is that of maintaining the internal stability of the society, that is, of ensuring that there is a co-ordinated and integrated set of activities within the society. A significant way in which the chief executive's managerial skill is evident is in the creation and change of the society's structure. This illuminates a critical area of responsibility, for while the chief executive officer needs to devise structures and systems which have some degree of stability, he is at the same time concerned with changing what he has established. He requires a stability for the present operation of the society and he needs change if the society is to move into the future.

In the maintenance of stability he is again concerned with problems of resources and this includes the question of management succession at the higher levels. He has to determine the type of managers who will be required in the future.

### **Adapting to the environment**

The third core activity is concerned with adapting the society to its environment; this entails recognising that the society is an open system continually influenced by and influencing its environment. It involves an appreciation of the inputs into the society, the way in which the society processes them, and then the outputs that result. Clearly these inputs, which include finance, materials and labour are subject to change from factors outside. Changes in the input can affect the process and output of the society, which can then affect the sales and the subsequent feedback of cash. The chief executive officer is deeply concerned with the various inputs and with the various factors that influence them. He operates at the boundary of the society mediating between it and the environment. He has therefore to be sensitive to changes in the environment and to interpret these changes in the light of the present internal situation in his own organisation. He has to determine the significance of these changes: which of them involve internal changes for the society and which do not. Because of the need to maintain internal stability he will be involved in developing strategies which will cushion the impact of change and so prevent too great a disruption. Clearly he has to seek a balance between change and stability; too great an emphasis on the first may destroy the society but too great a stress on the second may mean that the society is so out of line with its environment that it has no future.

A major function of the chief executive officer is to understand the environment, to recognise the significance of changes in it and to appreciate the productive opportunities that it offers, for the society is not entirely at the mercy of the forces within the environment. It can influence. How far the chief executive will respond to this boundary role will depend in part upon his own personality, in part upon his board of directors and his relations with it and in part upon the quality of his immediate subordinates. He cannot personally know of all the developments in the environment and because of this he must depend upon his subordinates providing the necessary information. Here indeed is a significant limitation on his understanding of the environment and on the decisions he makes. In a sense his decisions are partially made for him by his subordinates, hence the important question of their managerial ability. This has important implications for the management structure around the chief executive and the staffing of that structure.

### **Two significant questions**

Examination of the core tasks suggests that the chief executive officer is involved in a whole series of relationships: with the board of directors, with his subordinates and with significant elements in the environment. A great many of his activities are concerned with establishing viable relationships with these groups. For him there are two significant questions. What interest does any particular group have in the activities of the society? Does it have some measure of power to affect the activities of the society if it chooses to do so? A major contribution of the chief executive officer lies in the area of his relationship with individuals and groups over whom he does not exercise control yet without whose co-operation it is unlikely the society will be successful. Thus, his role carries with it the need to consult and negotiate, not merely on immediate matters but on matters of long-term interest to his society. In turn this calls for consideration of the amount of discretion that has been given to him by his board; what scope of discretion and what time-span of discretion are significant questions.

This is essentially an outline paper and it is hoped that the development of several of the issues briefly raised above will make a contribution towards a greater understanding of the role and attendant problems of the chief executive officer of the co-operative society.

### **The Author**

When the article was first published, Mr. T. E. Stephenson was chair of the Society for Co-operative Studies and an Acting Joint Convener for Yorkshire and Humberside. He was a lecturer in the Department of Management Studies at the University of Leeds and was undertaking research into the role of the chief executive officer.

### **Notes**

The language of the article reflects that most, if not all, chief executives of co-operatives societies at the time the article was written were men. The Rochdale Pioneers' 1844 objects specified that 'Any person desirous of becoming a member of this society, shall be proposed and seconded by two members at a meeting of the officers and directors' (S.13, p. 6) and refers to the 'his' or 'her' responsibilities, which in theory created a space for women's involvement and engagement in the society's activities. As Vorberg-Rugh (2016) points out, however, 'although women's economic importance to the movement as consumers was widely acknowledged, their consumer power did not translate to high levels of female membership and participation in co-operative leadership (p. 91). Indeed, Dame Pauline Green became the first women chief executive officer of Co-operatives UK (Co-operative Union – established in 1869) in 2000 and in 2009, another first, in becoming president of the International Co-operative Alliance (founded in 1895). In 2013, Chris Herries became Co-operative UK's first female chair of the board. Ursula Lidbetter, OBE was appointed Lincolnshire Co-operative Society CEO in 2004 (and interim chair of the Co-operative Group, 2013-2015), having joined the society as a graduate trainee. The first woman CEO at Central England Co-operative Society (Debbie Robinson) was appointed in 2018.

#### *Co-operative Societies' CEOs 2021*

Allendale Co-operative Society	– Neville Pringle (General manager)
Central England Co-operative Society	– Debbie Robinson
Channel Islands Co-operative Society	– Mark Cox
Chelmsford Star Co-operative Society	– Barry Wood
Clydebank Co-operative Society	– Fiona McInnes
Co-operative Group	– Steve Murrells
Coniston Co-operative Society	– Richard O'Reardon (manager)
East of England Co-operative Society	– Doug Field
Grosmont Co-operative Society	
Heart of England Co-operative Society	– Ali Kurji
Lincolnshire Co-operative Society	– Ursula Lidbetter
Midcounties Co-operative Society	– Phil Ponsonby
Radstock Co-operative Society	– Don Morris
ScotMid Co-operative Society (inc.Lakes & Dales)	– John Brodie
Southern Co-operative Society	– Mark Smith
Tamworth Co-operative Society	– Julian Coles



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