

Questions, Answers - and Action? by Peter Davis

This article brings together the ideas and questions posed by a Conference on Co-operative Management held in May 1988 (see Journal No. 63) and by a second conference jointly sponsored by the International Co-operative Management Unit (Leicester Polytechnic) and the Society for Co-operative Studies held on 9th/10th September at the Co-operative College. The latter's 43 participants were drawn from Chief Executives, Directors, Trainers, Personnel Officers and general Co-operative management as well as from Member Relations Departments and centres of academic interest in the consumer Co-operative movement.

The second Conference was addressed by Mr Keith Darwin, Deputy Chief Executive of Lincoln Co-operative Society on "The Co-operative Context for the Practice of Management": Mr Frank Dent, National Member Relations Officer CRS Ltd., on "The Member Relations Officer - Part of the Management Team?": Dr John Butler, Senior Liaison Officer with the Co-operative Union Ltd, on "Developing Co-operative Directors": Mr Dennis Flexney-Briscoe - Consultant with the Institute of Marketing, on "Marketing Questions for the Co-operative Movement" and Sir Dennis Landau - Chief Executive the CWS Ltd, on "Challenges and Prospects for Co-operative Management into the 1990s". Mr Geoff Wade took the Chair on behalf of the SCS.

Posing the Questions - and Answering

The May conference reflected on the problems posed by the Co-operative context for the practice of management. By contrast, in September participants and speakers were more concerned with managing Co-operative growth. In May, we posed some of the right questions - in September we saw a modest movement in the direction of solutions. Sir Dennis Landau reminded us that there were no easy solutions. The Co-operative revival had commenced but we must manage the Co-operative turnaround by starting from where we are as a movement - not where we would like to be. Sir Dennis' words of caution are well made and should be remembered by the reader. As I tried to bring together the ideas considered by these two conferences, I was aware of the danger that in attempting to communicate essentials the threat of over simplification of the issues was ever present. Despite the risks, however, I decided to present these issues in a question and answer format: first, the question and, then, the answer that seemed to be emerging from the conferences and particularly from the second.

Question 1:

What is the Co-operative context for management?

There was little disagreement in September with the answer of the May conference to this - the membership base, the democratic institution and processes and the inherited business structures were ably presented by Keith Darwin. This presentation, however, did more than provide a useful link to the issues discussed in May. Keith reminded us of a further dimension to the Co-operative context in terms of the roots which Co-operative trading organisations and membership have within the community.

Answer:

A membership based, democratic, commercial organisation rooted in the community in which it trades and for which it provides services, that is part of a consumer movement rooted in the ethic of improvement.

Question 2:

What kind of managers do we need to manage Co-operative societies?

Again there was no disagreement with the need for general and functional management experienced and competent in the same skills as those found in the private sector. The need for a commitment to Co-operative values and practices had been emphasised in May and was further rehearsed in September. In September the latter point was given more concrete expression, however, in terms of the need for a team building approach combined with a participative style of management. The idealism and democracy present in the Co-operative Movement led Sir Dennis Landau to conclude that leadership skills became of key importance for the practice of Co-operative management.

Answer:

Highly competent professional managers who, accepting the Co-operative vision, are capable of leading their societies as a team effort, uniting from the top of the organisation down, management, staff and membership in building the Co-operative enterprise.

Question 3:

How do we attract the right people into Co-operative management?

In both the May and September discussions the importance of home grown management was stressed and Sir Dennis underlined the point David Thirkell had made in May - that to recruit top management from outside risked

destroying the movement when that top management had no sympathy for our Co-operative vision.

Answer:

We recruit young talented and idealistic people who can be developed as managers whilst having their idealism channelled into the Co-operative cause.

Such people will be attracted to the movement if we stress the benefits and satisfactions to be gained by accepting the challenges of Co-operative management and leadership in our service to the community.

Question 4:

How do we motivate and develop Co-operative management?

Both conferences recognised that the trends towards management shareholding were neither suitable nor desirable within a Co-operative society. All agreed with David Thirkell's emphasis in May on the importance of giving managers the space and opportunity to practise their skills. In September, John Butler helped us recognise that a properly developed lay board of directors was an important ingredient in ensuring that an enterprising management was encouraged. It was too easy for managers to be stifled by a board whose lack of expertise made them over-cautious and insufficiently challenging in a positive sense. Co-operative Management Development, like Management Development in general, needed a clearly articulated culture within which the practice of skills and general competencies could be developed.

Answer:

Revitalising Co-operative culture and introducing it into our induction, training and development programmes at all levels within the organisation.

Question 5:

How are we to manage member involvement?

In May this question had been discussed in terms of past failures and the lessons to be drawn. On this issue a rather different emphasis emerged in September where Frank Dent led the discussion into the area of line management relationships and practices. The somewhat isolated and, in terms of remuneration at least, low status of Member Relations Officers (not manager, please note) was emphasised. In May the problem was stated in the traditional mode of a juxtaposition between the social and commercial objectives of the

movement. In the September discussion and in the workshops this dichotomy was challenged. It was recognised that growth in membership and the membership's involvement in their Societies can only start at the shop counter. When members and potential members feel as they enter a Co-operative store that they have entered and belong to a caring community that serves these needs then, delegates felt, we should be managing member involvement to maximum effect. Our competitors call this approach "customer care" - but Co-operatives have a unique opportunity to develop this concept far beyond the capacities of our rivals.

Answer:

Take Member Relations Officers out of their career cul-de-sac and give them a place within the functional management teams linked to marketing, training and development and public relations departments. Provide for members director training to develop main board and regional board expertise and, as Basil Loveridge suggested, situate broader member education back in the adult education movement.

Question 6:

How do we re-build our market share?

Sadly the May conference made little headway on this vital and fundamental question. In September, the challenging presentation of Dennis Flexney-Briscoe enabled us to look at our Co-operative values and practices in terms of modern changing market conditions and thus helped the conference to recognise the inner strengths of our movement and to stress the benefits. Dennis reminded us that our conference was taking place in the "green consumers week". A new consumer profile had been identified labelled "the reformer". Who were these people? Did or could we appeal to them? Who are our customers and whom should we be targeting in the future? At the workshop presentation the positive aspects of our Co-operative vision and the benefits of shopping Co-operatively were stressed. Many studies had shown that in the consumers' mind the Co-operative is linked to ideas of integrity and friendliness.

Answer:

Co-operation has a wide consumer appeal once consumers are clear what we are and what benefits we offer. The movement needs unity of purpose to present a clear image and uniformly high standards of in-store service. The harnessing of the latest marketing techniques and consumer survey information to our existing membership base and Co-operative ideals and record will

enable us to rebuild market share. We need to stress the unique benefits of Co-operative shopping to those consumer segments most ready to be persuaded by our managers.

General Conclusion

Towards the end of my summary of the May conference, I posed three questions for the development of senior executives for the future (See Journal 63, p 47) both in terms of the competencies required and the material opportunities for acquiring those competencies. To some extent the September conference has answered the questions relating to competencies in a manner that might have been anticipated. The need for Co-operative managers and particularly executive managers to be effective communicators, planners, decision-makers, and team-builders is well appreciated. What may not have been anticipated was the broad agreement between all segments of our conference on the need in our management development to bring to the foreground the cultural issue within Co-operative organisation. In the end, a consumer movement does not just require managing - it requires leadership. Leadership is about imparting a culture and commitment to the mission of that culture throughout the organisation.

My third question in Journal 63, called for an audit of existing Co-operative management development opportunities within Co-operative societies. Such an audit would undoubtedly be of great value in identifying best practice as well as possible gaps in existing provisions. It is my hope that during my year as Chairman of the SCS, the Society in partnership with Co-operative management may act as a catalyst to help ensure such an audit is supported by the movement and is carried through.

And For the Future

This year both in May and in September we have concentrated on the roles and relationships of Co-operative managers and Co-operative members. In reality on a day to day basis this relationship is conducted through the third element in our Co-operative movement - the employees. The quality and commitment of employees in any business is fundamental for the managerial effort to reach a successful conclusion. In Co-operative societies this is, if anything, even more the case, particularly as we strive for board level participation and partnership between Co-operative employees and members. I very much hope that during my year of chairmanship a major theme of the S.C.S. will be "Managing and Developing Co-operative Employment Policies in the Consumer Movement". Persons who have been studying this question are invited to write to me and to indicate also whether they would be willing to

contribute in some way to the discussions. My address is: c/o Co-operative Management Unit, School of Management, Leicester Polytechnic, P.O. Box 143, Leicester LE1 9BH, Tel. (0533) 551551.

The Author

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