

Seven Steps to Re-energize Your Cooperative Culture

BY ADAM SCHWARTZ

“Culture is to an organization what water is to a fish—it is the environment that exists all around us.”

If I asked you to describe the culture of your food co-op in one word, what would it be? How would you know if others in your organization feel the same way?

There has been a good deal of conversation, written literature, and even some organizations creating positions specifically designed to be more proactive in managing the culture in our organizations. If we accept the idea that all organizations have a culture, the next logical question is: what are we doing to manage our food co-op's culture?

The fact that food co-ops, like all cooperatives, are owned by their members gives us some guidance for a possible cultural landscape, but not a definitive path. The seven cooperative principles and cooperative values give us further instruction, but principles are just words on paper or on a computer screen unless they are implemented.

The sidebar lists the seven principles, but with a bit more detail than you might be accustomed to seeing. These explanations of the principles are part of the Statement of Cooperative Identity adopted by the International Cooperative Alliance. The complete statement is worth reading since it is well thought out and can serve as valuable guide in creating a cooperative culture.

Food co-ops are part of a worldwide cooperative community that has over 1 billion members. In the U.S., over 29,000 cooperatives from all parts of our economy employ almost 1 million people, generating over \$25 billion in payroll while controlling over \$3 trillion in assets.

2012 was the International Year of Cooperatives when the UN Secretary General Ban Ki-moon said, “Cooperatives are a reminder to the international community that it is possible to pursue both economic viability and social responsibility.” Now the International Cooperative Alliance is promoting this as the International Decade for Cooperatives.

It identifies five key areas that co-ops must address to grow the movement: Participation, Sustainability, Identity, Legal Framework and Capital. If cooperatives from all sectors are able to unite around these goals, the job of creating the culture will be easier for us all. (You can read more about the “Blueprint for a Cooperative Decade” at www.ica.coop, where it can be viewed in full and downloaded as a pdf.)

Cooperative culture

Perhaps you think the culture in your food co-op is fine, but how do you know? While the general manager is a critical person in creating the culture, every employee and director and even the members have roles, and they certainly have opinions.

There are seven proven steps cooperative organizations can take to proactively create, reenergize, or maintain a high-functioning cooperative culture (these steps are adapted from the work of Tom Webb, formerly of St. Mary's University in Nova Scotia):

Understand it: The first step in the process is to understand what it means to be a cooperative and why your cooperative exists. What economic and social purpose does your co-op serve?

Believe it: Really believing that the cooperative business model is the best takes us to the next critical action in the process. Not sure you are true believer? That is OK; there are a few questions you can answer to test yourself, and there are books and other online learning tools to help you become a believer in cooperatives.

Create it: This takes us to the part of the process where you brainstorm with your colleagues about what your co-op can do to show it is different from a conventional grocery store. Maybe it is a mirror in the lobby of your store with a sign that says, “Meet the owners of ABC food co-op.” Or, perhaps, formal training for all employees on the cooperative difference.

Measure it: We all know the saying, “What can be measured is what gets done.” The measurement step can be the first, middle, or last

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further differentiate themselves from their competitors.

step in the process. This depends on whether your co-op is interested in truly measuring how your cooperative culture grows by implementing all the other steps. The most common tool used for measurement is a statistically valid survey.

Manage it: This is the process of implementing and actively managing the culture. At this point in the process, there are concrete actions taken so that employees see the actions. People connected to the food co-op start “to feel it.”

Market it: There are two main audiences for the marketing effort—internal and external. We begin with the internal, and the first person is our self. We need to consistently support our own belief that the cooperative business model is the best. From there, we move on to the board and employees. Are we getting the necessary buy-in to create the desired environment? The members may share characteristics of both an internal and external audience, depending on the level of awareness your members currently have about being part of the co-op. For external audiences, we will need to use both traditional and social media to create a unified, mutually supportive media strategy that showcases we are a cooperative.

Sustain it: Changes made that don't last are not really changes. If this is treated as simply a marketing campaign or the flavor-of-the-month kind of effort, the impact will be minimal at best.

Here are some questions to ponder if you want to truly set your co-op apart and do business in the cooperative way:

- Does your annual meeting and election process encourage active, open participation?
- Is there room to increase your engagement and relationships with other cooperatives?
- In such relationships, what types of co-ops might be a good fit for your co-op?
- Does your hiring process include a “screen” for knowledge and commitment to the cooperative principles?
- Does your employee evaluation include a rating for knowledge of and commitment to the cooperative principles?
- Do your board meetings include a regular item on the agenda specifically related to how well your co-op is living up to the seven principles and co-op values?

It works

Why should I bother doing this? Quite simply because it works; an engaged workforce feeling that they are working for a cause, not just a paycheck, will accomplish more, be happier, and grow your co-op. It will help lead to an engaged membership. ►



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7 Cooperative Principles

Cooperatives around the world operate according to the same core principles and values. Cooperatives trace the roots of these principles to the first modern cooperative, founded in Rochdale, England in 1844. The current version was adopted by the International Cooperative Alliance in 1995 (www.ica.coop).

1. Voluntary and Open Membership

Cooperatives are voluntary organizations, open to all people able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination.

2. Democratic Member Control

Cooperatives are democratic organizations controlled by their members—those who buy the goods or use the services of the cooperative—who actively participate in setting policies and making decisions.

3. Members' Economic Participation

Members contribute equally to, and democratically control, the capital of the cooperative. This benefits members in proportion to the business they conduct with the cooperative rather than on the capital invested.

4. Autonomy and Independence

Cooperatives are autonomous, self-help organizations controlled by their members. If the co-op enters into agreements with other organizations or raises capital from external sources, it is done so based on terms that ensure democratic control by the members and maintain the cooperative's autonomy.

5. Education, Training, and Information

Cooperatives provide education and training for members, elected representatives, managers, and employees so they can contribute effectively to the development of their cooperative. Members also inform the general public about the nature and benefits of cooperatives.

6. Cooperation among Cooperatives

Cooperatives serve their members most effectively and strengthen the cooperative movement by working together through local, national, regional, and international structures.

7. Concern for Community

While focusing on member needs, cooperatives work for the sustainable development of communities through policies and programs accepted by the members.

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◀ **It sounds like a lot of effort.** I have so many other things to focus on right now. It is a lot of effort, but, like most things in life, the harder the effort the more rewarding the result. Think of training for a triathlon or other sporting event and then doing it. Think of studying for an exam and “acing” it. Think about any time in your life where you set a goal and then met it. Working on the culture is hard, but the rewards will be worth it. You don’t need to reinvent the wheel, and others inside and outside your co-op can and will help. Look to other co-ops both within the food sector and elsewhere that you admire and respect. Then ask, is it possible to apply their methods to your operations?

Will it be expensive? Focusing on the value of having a more engaged workforce, directors, and members would be a good place to begin. The cost of implementation should be tied to the value of the program to your co-op and community.

By incorporating the principles and values into their strategic thinking and doing, food co-ops further differentiate themselves from their competitors. Through the act of making this a core part of our mission, we affirm our roots and attract more members by being authentic and truly interested in their well-being.

Perhaps the most important aspect of why we should promote ourselves as cooperatives is because of the impact it has to transform the lives of members and employees. Jean Jantzen, formerly of CHS (the largest co-op in the U.S.) and former chair of the board for HealthPartners (the largest health co-op in the country), said upon her induction into the Cooperative Hall of Fame, “Cooperatives give ordinary people the ability to accomplish extraordinary things.”

Cooperatives also need to be resilient. In his work, *Resilience: Why Things Bounce Back*, Andrew Zollig defines resilience as “the capacity of a system, enterprise, or a person to maintain its core purpose and integrity.” He further identifies four clusters that contribute strongly to social resilience:

- 1) beliefs, values, and habits of mind;
- 2) trust and cooperation;
- 3) cognitive diversity; and
- 4) strong communities, translational leadership, and adaptive governance.

Food co-ops reach millions of people, and we can show the world that profitable businesses can be owned and controlled by socially responsible friends and neighbors in their own community. The culture that many co-ops may have enjoyed cannot be taken for granted. If the cooperative culture is to endure and prosper, it needs to be purposefully tended. ■

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