



# Measuring the Co-operative Difference: A Community University Research Alliance Project

April 13, 2010.

CANADIAN  
CO-OPERATIVE  
ASSOCIATION



ASSOCIATION  
DES COOPÉRATIVES  
DU CANADA

The Social Sciences and Humanities Research Council of Canada (SSHRC) announced on February 4, 2010 that CCA, in partnership with four Canadian universities, has been awarded funding of \$1 million over five years to conduct research on the social, economic and environmental impact of co-operatives.



# How did we get here?

- Winter/Spring 2008 – developing the concept and gauging interest from academic partners
- October 2008 – Submission of Letter of Intent to SSHRC
- March 2009 – Awarded \$20,000 to develop a full proposal
- September 2009 – Submission of full proposal
- January 2010 – Confirmation from SSHRC
- February 2010 – Submission of institutional eligibility
- April 2010 – CURA starts

# Research questions

- What is the precise nature of the co-operative difference?
- How can it be fostered?
- What are the effects of the co-operative difference on the co-ops' performance, their members and the broader community?

# Objectives

- Produce and disseminate knowledge about co-ops within the wider economy with a focus on social, economic and environmental impacts
- Create tools to measure the value added by co-ops and capture the “co-operative difference”
- Deepen existing linkages within the co-operative movement (national, provincial, academic, community and wider social economy)
- Inform public policy on the role and value of co-ops
- Build capacity with academia and co-operatives to frame an “operationalized understanding” of the co-op principles and measure performance across triple bottom line.

# Research clusters

- Research will be based across four research clusters
  - Western Canada (Centre for Co-operative and Community-based Economy, University of Victoria)
  - Prairies (Centre for the Study of Co-operatives, University of Saskatchewan)
  - Atlantic Canada (Saint Mary's University and Mount Saint Vincent University)
  - National (CCA)

# Who's on the research team?

Principal Investigator (Community)



John Anderson, CCA

Principal Investigator (Academic)



Dr Sonja Novkovic, Saint Mary's University

Co-Applicants



Dr Ana Maria Paredo, Director, Centre for Co-operative and Community-Based Economy, UVic



Dr Lou Hammond Ketilson, Director, Centre for the Study of Co-operatives, USask



Dr Leslie Brown, Chair, Department of SOAN, Mount Saint Vincent University

# Cooperative inquiry methodology

- J. Heron, Cooperative Inquiry: Research into the human condition (1996)
- Research is conducted with, rather than on people
- Collaborative
- Development of tools and training of practitioners recruited from the organizations

# Atlantic Cluster

## P1- Social and environmental accounting and reporting practices (SEAR) in cooperatives

- Supports measurement of performance of co-operatives on the environmental, social and economic grounds
  - With the Co-op Atlantic as a partner, the project will assist in building a tool based on the triple-bottom line indicators, built around the cooperative principles and values
  - Continuing on the pilot project (2005-2010), members of co-op Atlantic will be invited to implement the tool
- The process will aid cooperatives in their strategic planning, governance, and in improved understanding of the ‘cooperative difference’
- Investigate factors that lead to SEAR engagement
- Comparative analysis (SEAR vs Non-SEAR coops; Coops vs CSR companies)

# Atlantic Cluster

## P2-Coop Index : Diagnosing co-operatives for member/employee participation and its impact on performance

- Participation in organizations is linked to organization's success.
  - We look at participation as a process based on values. (In general, participation is understood to be linked to ownership)
  - Psychological ownership (or a 'sense' of ownership) results in increased member engagement
- Cooperatives are built on principles- is there a difference compared to other organizations?
- Tool needs to measure adherence to the principles and values (as defined by the co-ops)

# Atlantic Cluster

- Stage one – build the tools for various co-op types with participation from co-operatives
  - Worker coop Index (CWCF) – May 2010
  - Producer coop Index – June 2010-Dec 2010
  - Credit Unions
  - Consumer coops
  - Multi-stakeholder coops
  - Housing coops
  - Second generation coops (federations)
- Stage two- administer the tools-diagnose, improve performance
- Stage three- comparative analysis

# Atlantic Cluster

- The two tools built in P1 and P2 are complementary, rather than competing
- P1 builds indicators (objective measures), while P2 bases its analysis on member perceptions (subjective).
- June 2010 in Halifax-a one day workshop with presentations of the two tools to interested partners
- P10 – building the theory of cooperative firms based on our findings and experience over the life of the CURA

# Prairie Cluster

## Measuring the impact of credit unions on wealth building in communities

- This study aims to better understand the precise benefits that credit unions provide their members and communities, and the specific ways that credit unions help their members create wealth, financial stability, well being and skills.

## Community Partners

- Jim Thiessen (Advantage Credit Union)
- Sandi Wasylyniuk (Affinity Credit Union)

## Academic Partners

- Lou Hammond Ketilson
- Jessica Gordon Nembhard

# Prairie Cluster

## Impact of co-operative housing on household income, skills and social capital

- This project will examine the economic and social impact of co-operative housing compared to other forms of affordable housing. Using a longitudinal design that includes both co-operative and non-cooperative housing initiatives, the study will examine how the organizational form affects individuals over time, as it relates to household income and expenditures, skills development and social capital.

### Community Partners

- Nick Sidor (Co-operative Housing Federation of Canada)
- Len Usiskin, (Quint Development Corporation)

### Academic Partner

- Catherine Leviten-Reid

# Western Cluster

## *Caring and Carrying*

- BC Core Team: Ana Maria Peredo, John Restakis, Joanne Lee, Dennis Pilon, James Rowe and Nick Montgomery
- Partnership CCCBE and BCCA – exploring synergies with BALTA
- National measurements: a great opportunity
- How do we go further than the traditional data ?
  - Co-operative in Practice: what is working and what is not working?
- Regional Priorities: Survival and Impact

# Western Cluster

- **Comparative Survival rates**
  - What are the comparative survival rates of co-operatives in BC in relation to other forms of business
  - What are the system supports for co-operatives?  
What's the critical mass?
  - How many co-ops are still in operation, how many have failed, and why?
  - What are the challenges faced by co-operatives? We don't know how/why/if recently incorporated co-ops have failed, changed, or kept going.
  - Quebec study on co-operatives in that province.

# Western Cluster

- **Quality of life & happiness**
  - Measuring impact on well-being
  - Spill-over effects of the broader community
  - Across sectors
- **Governance practices**
  - Democratic opportunities and carrying capacity
  - Social inclusiveness and justice: race, gender, ethnicity, citizenship
  - Capacity of co-ops for adaptation to change and organizational learning

How has the idea of a co-op evolved around questions of sustainability, community and changing demographics?

# Western Cluster

## Economic Practices and Values:

### Beyond the profit value

- What are the motivations behind creating co-ops and staying in co-ops
- What *is* the advantage, and what might that advantage *be*?
  - Ecological results of an economy driven by different values
- Do Co-ops have a sustainable competitive advantage?
  - How might co-ops compete in terms of attracting attention, consumer energy, etc
- Do co-operatives have a different standard for success?

# Western Cluster

## Methodology

- Quantitative, qualitative and comparative approaches
- Centralized, or decentralized model ?

## The entire team

- What's shaping those differences?
- Environmental consciousness?
- Mission?
- Racism?
- Etc.

# National Cluster

## Survey of co-operatives - measuring longevity, social and economic impact

- Each year the Co-operatives Secretariat carries out a national survey of Canada's non-financial co-operatives, receiving over 5600 responses from the 8800 total co-operatives in Canada.
- The Co-operatives Secretariat has expressed interest in adding questions to this survey to support the objectives of the CURA.
- The research team plans to examine the impact of co-operatives in terms of their longevity, their contribution to jobs and economic activity, and the value added by the co-operative compared to non-co-operative business models.
- Prof. Luc Theriault of UNB will work to develop and administer the new instrument and analyse and disseminate the results.
- The quantitative results will be augmented by qualitative interviews with a representative sample of the respondents.

# National Cluster

## Co-operative Development Initiative (CDI) and innovation

- The Co-operative Development Initiative (CDI) is a four-year, \$16 million partnership program funded by Agriculture and Agri-Food Canada and co-managed by CCA and its francophone partner, le Conseil canadien de la coopération et de la mutualité (CCCM) to help develop new and emerging co-operatives and innovative co-operative projects.
- This program began April 1, 2009 and will end March 31, 2013, directly overlapping with this research project.
- We will use the database developed by CDI program to address questions such as :
  - In which sectors are new co-operatives developing?
  - Where are these sectors in terms of geography, language (English or French) or immigrant origins?
  - Why have groups chosen the co-operative model as opposed to traditional private sector or traditional non-profit organization?
  - In addition to use of the CDI database, the researchers will conduct semi-structured interviews with successful co-op applicants and co-op developers .

# National Cluster

## Examining the value and potential of National Co-op Sector Federations

- This project will examine the potential for new national co-operative federations and their value in terms of increasing the success and contributions of individual co-operatives in the following sectors:
- Agriculture: The research will examine why Canada has no national agriculture federation of co-operatives although there are over 1200 agricultural co-operatives across the country. (Québec has a strong federation, La Coop Fédérée, but there is no counterpart outside of Québec.) The project will build on initial research 2008-09 as part of the federally-funded Agricultural Co-operative Development Initiative .
- Health Care: Again, a federation exists in Québec and in Saskatchewan, but not at the national level. This project would attempt to understand the potential value of a national federation and why one has not been established to date.
- Housing: The Co-operative Housing Federation of Canada is a successful national federation serving most of Canada's housing co-operatives and co-operative housing associations. What has been the value added by this national federation, and how has it contributed to co-operative housing as a successful alternative to municipal social housing?

# Overview of research projects

- Social and environmental accounting and reporting practices (SEAR) in co-operatives
- Diagnosing co-operatives for member/employee participation and its impact on performance (CoopIndex)
- Measuring the impact of credit unions on wealth building in communities
- Impact of co-operative housing on household income, skills and capital
- Impact of co-operatives on community
- Infrastructure support for co-operatives
- Measuring the longevity, social and environmental impact
- CDI and innovation
- Examining the value and potential of national coop sector federations
- Theoretical advances in economic and management models

Limited potential for further research projects being developed.

# Knowledge mobilization

- Development and maintenance of a CURA project website
- Production of quarterly CURA newsletter
- 2 national research conferences with up to 100 participants (in years 2 and 4)
- Editing and publication of 2 major books: presentations from the first national research conference (in year 3) and essays from the project in year 5
- Editing and publication of 4 booklets based on regional research activities and results
- Webinars (1-2 per cluster) and student web forums to discuss research projects
- ‘Brown-Bag’ presentations by community and/or academic researchers, to community-based audiences
- Community forums – meetings with the general public to present research findings oriented towards a community need or issue
- Theme-focused seminars that will bring together research partners and the general community, providing discussion around multiple studies on a common research theme.

# Collaborators

- Dr Catherine Leviten-Reid University of Saskatchewan
- Dr Luc Theriault, University of New Brunswick
- Professor Omer Chouinard, Université de Moncton
- Peter Hough, CWCF
- Professor André Leclerc, Université de Moncton
- Professor JJ McMurtry, York University
- Dr Ian MacPherson, University of Victoria
- Professor Elizabeth Hicks, Mount Saint Vincent University
- Professor Jessica Gordon Nembhard, The City University of New York, USA
- Professor Ryzard Stocki, Wyższa Szkoła Biznesu, National-Louis University, Poland

# Supporters and Partners

- Advantage Credit Union (SK)
- Affinity Credit Union (SK)
- Alberta Co-operative & Community Association (AB)
- BC Co-operative Association (BC)
- CWCF
- CQCM (QC)
- CCCM
- Co-op Atlantic
- Co-op Enterprise Council (NB)
- CHF Canada
- Credit Union Central of Nova Scotia (NS)
- Co-operatives Secretariat
- Federated Co-operatives Ltd.
- Harrop-Procter Community Co-operative (BC)
- Manitoba Co-operative Association (MB)
- Newfoundland-Labrador Federation of Co-operatives (NL)
- Nova Scotia Co-operative Council (NS)
- On Co-op (ON)
- PEI Co-operative Council (PEI)
- Quint Development Corporation (SK)
- Saskatchewan Co-operative Association (SK)
- South Islands Regional Co-op Council (BC)
- Sustainability Solutions Group
- The Co-operators Group Limited
- United Community Services Co-op (BC)
- Upper Columbia Co-operative Council (BC)
- Victoria Community Health Co-op (BC)

Thank you to the above listed organizations who were involved in supporting the CURA application and the many who continue to remain involved through various regional research projects.