



**Executive Leadership Program: Co-
operatives and Mutuals
(ELP-CM)**

The Best of Both Worlds

Program Outline

15-19 SEPTEMBER 2014

Program Lead: Prof Tim Mazzarol



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1. Introduction

WA•UWA Business School Executive Education

The University of Western Australia Business School and the Australian Institute of Management Western Australia together have more than 150 years' experience supporting the education and training needs of individuals and organisations locally, nationally and internationally. Their joint venture, AIM WA•UWA Business School Executive Education, continues this proud tradition. Based in Perth, and servicing clients around the world, Executive Education brings the intellectual depth of one of Australia's leading business schools together with the applied focus of Western Australia's foremost learning development institution. It's a partnership that focuses on equipping senior leaders and managers with the individual and organisational tools to succeed at work and life.

Executive Leadership Program: Co-operatives and Mutuals

The Executive Leadership Program: Co-operatives and Mutuals (ELP-CM), is to be offered as a residential program from the 15th to 19th of September 2014 by AIM-WA UWA Business School as part of its suite of executive education programs. The design of this course has been guided by research work undertaken by UWA into the co-operative and mutual enterprise business model and its sustainability, resilience and performance. The substantive content will be lead by Professor Tim Mazzarol, recognized as the leading expert in the field. In guiding the program development, Professor Mazzarol has held extensive discussions and consultations with industry partners in the co-operative and mutual enterprise sector.

The program will examine the key issues facing co-operatives and mutual enterprises from a leadership perspective, ensuring that participants are provided with the opportunity to discuss their unique challenges and to benefit from expert leadership coaches and facilitators who will be on-hand throughout the program.

Background

Co-operatives and mutual enterprises comprise an important part of the global economy. For example, a study of 2,190 co-operatives across 61 countries found that they existed in almost all industry sectors. The annual turnover of these firms, no including those in the banking and insurance sector, was estimated at around US \$1,155.1 billion (ICA, 2012).

The total number of co-operative and mutual enterprises in Australia is estimated to be around 1,703. This includes around 1,600 co-operatives and 103 financial mutual businesses. Together these enterprises are estimated to have a combined membership of some 13.5 million people. In 2011 the top 100 co-operatives had a combined annual turnover of around \$17 billion, while the combined total assets of the financial mutual firms was estimate at \$83 billion (Denniss and Baker, 2012).

The larger businesses are also major employers. For example, RAC WA has around 1,948 employees and CBH has 1,062 employees. Murray Goulburn in Victoria has around 2,100 employees. Many of the financial mutual businesses have smaller employment pools, but the top 10 (by turnover) financial and banking services firms within the mutually owned business sector had an estimated 5,552 employees in FY2012/13 (IBIS World, 2013).



The Crucial Need for the ELP-CM

There are already a significant number of management development programs available in the market. However, many of these courses do not meet the specific requirements of managers from the co-operative and mutual enterprise sector. The need for a dedicated course for these managers is due to the unique nature of the co-operative enterprise business model.

Many aspects of the way co-operative and mutual enterprises are managed are similar to more conventional businesses. However, there are also many important differences. These relate to areas such as their governance, accounting procedures, distribution of share capital and voting rights, human resources, communications, marketing and strategic purpose.

The ELP-CM has been specifically designed to address the unique challenges faced by managers in co-operative and mutual enterprises.

Objectives of the Program

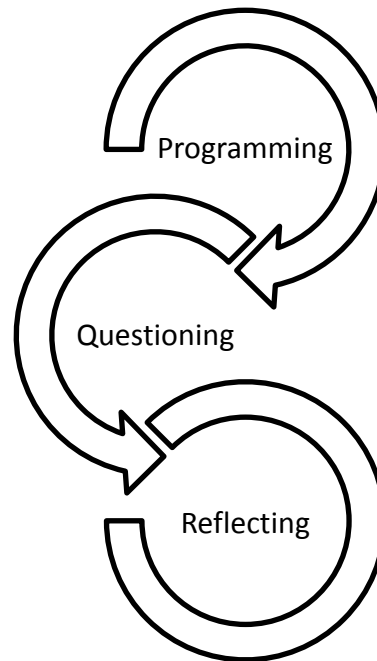
From a general perspective the key objectives that managers who complete a program of this kind should achieve are:

- Compare and contrast the co-operative and mutual business model with that of investor-owned businesses.
- Exhibit knowledge of the co-operative and mutual business model as it exists locally, nationally and internationally.
- Demonstrate an ability to apply their understanding of co-operative and mutual enterprise business model dynamics to the solving of managerial problems across a range of different industry sectors.
- Evaluate the impact of the following on the co-operative and mutual enterprise business model and make strategic decisions:
 - government policies and legal environments;
 - competitive market dynamics;
 - social cooperation within their member community, and
 - the impact of the natural environment.
- Understand the nature of member loyalty and engagement within a co-operative and mutual enterprise and how to strengthen and retain member commitment.



Program Approach to Learning

The **Action Learning Approach** (Revens, 1980) acknowledges the importance of embedding the learning into practice, and the need to recognise the existing knowledge and experience that the learner-manager brings to the program. This pre-existing knowledge and competence is respected and leveraged throughout the program for the learning of all participants. This approach produces a truly collaborative learning experience.



The Action Learning Model

The **Action Learning Model** involves programming activities that provide the manager with sufficient education and information relating to best practice, so that they understand what they need to do, how to do it and why they need to do it. Combined with this formal knowledge exchange, is the integration of the components of programming content and structure to address an urgent task, problem or project.

It is important that participants engage the challenge with questioning and reflective listening. Open minds and a desire to base decisions and judgments on sound evidence rather than pre-determined positions are critical to success.

Participants will also be challenged to consider each of the major content areas in their organisational context, and to critically examine their own leadership style and its inherent strengths and weaknesses. The combination of these approaches will guarantee that participants not only receive a comprehensive and up-to-date education on the major issues facing their organisation, but also ensure that the issues can be addressed in an effective and coherent manner from a leadership perspective.

In line with the action learning model **Action Learning Tasks (ALT)** form a core set of activities and workshops within the ELP-CM program. They comprise the basis of the course and map against the management and leadership outcomes. Each ALT will typically be structured around an applied



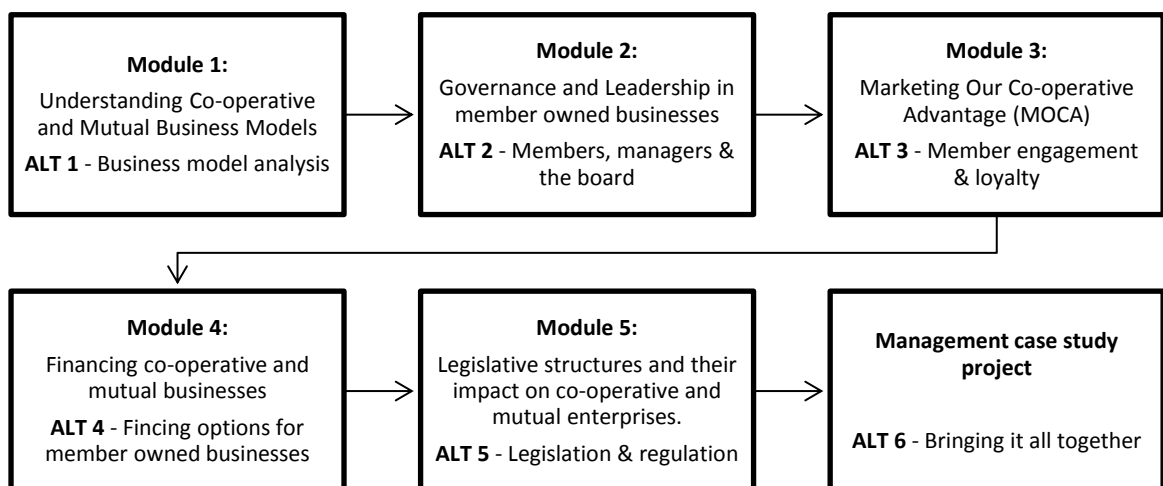
business task or tasks designed to get the students to work systematically through a specific area of their business guided by course notes and workbooks. For example, in the case of Module 1 “Understanding Co-operative and Mutual Business Models” the students will be tasked to critically examine their or a third-party organisation’s business model. Course notes and program content will help to guide them through this analysis. The outcome is to get them to identify strengths and weaknesses of the business model of the organisation and develop recommendations for improvement or change.

In addition, participants will be asked to reflective on their personal leadership approach and that of the organisation to assess their capacity to respond and lead effectively around the program content.

Program Structure

The ELP-CM will be a residential program consisting of five modules over 5 full days of contact time. Assessment asks may be included for credit toward a recognised qualification (see Assessments and Accreditation).

Each morning will begin with a detailed explanation of the Module for that day. The afternoon will consist of workshop sessions with participants taking the lead to identify what the content means for them in their organisation and environment. Program coaches will facilitate the groups through the afternoon sessions to ensure that participants garner the maximum utility from the content and are able to apply it to their organisation.



The afternoon sessions will also focus on developing the leadership potential of participants. The focus of the leadership development will include;

- Leading and understanding my personal leadership.
- Identifying the norms of leadership in my organisation.
- The role of emotional intelligence and self-esteem in leadership.
- The LSI leadership model.
- Leading individuals and teams.
- The development of a detailed leadership plan.



In the evenings, there will be opportunities to network with fellow participants and to engage with the program SMEs and facilitators to work through specific leadership and management issues.

On Wednesday evening participants will hear from some of the most highly regarded leaders from co-operative and mutual organisations at a leader's forum and dinner. The discussions and reflection from the leaders will be used as a learning opportunity and will be fully debriefed on a Thursday evening session.



2. Module 1: *Understanding Co-operative and Mutual Business Models*

Module description:

This module examines the theory and practice of the business model concept and how it applies to the co-operative and mutual enterprise. It will adopt a global approach using examples and case studies from around the world. The strengths and weaknesses of the co-operative and mutual enterprise business model will be reviewed and students will be asked to undertake a critical analysis of the business model applying the theory to their own organisation. Attention will be given to the creation of a clearly articulated Member Value Proposition (MVP) through the clarification of the organisation's purpose, and the configuration of its resources, processes and financial structure.

Learning objectives:

Managers who complete this module should be able to:

1. Understand and demonstrate knowledge of the theory and application of the business model concept.
2. Identify and correctly classify the key components of the business model framework that apply to co-operative and mutual enterprises.
3. Demonstrate an ability to differentiate the business model of the co-operative and mutual enterprise from those of investor owned or not-for-profit businesses.
4. Examine their own organisation's business model and critically assess its strengths and weaknesses with a view to identifying the organisation's ability to sustainably deliver a member value proposition (MVP).

Content:

- What is a business model? – Key concepts in theory and practice.
- How business models have been used in strategic management.
- What is business model innovation and how is it relevant to co-operative and mutual firms?
- Understanding the co-operative or mutual enterprise in a systems context.
- The importance of purpose in the business model of member owned businesses.
- Developing a member value proposition.
- Unpacking the elements: governance, share structure, profit formula, processes and resources.

Action Learning Task 1: Business Model Analysis

Students will prepare a business model analysis of their own or a third-party business. This will involve examining each of the elements shown in Figure 3 and assessing their strengths and weaknesses as well as the extent to which they are formally recognised and measured.



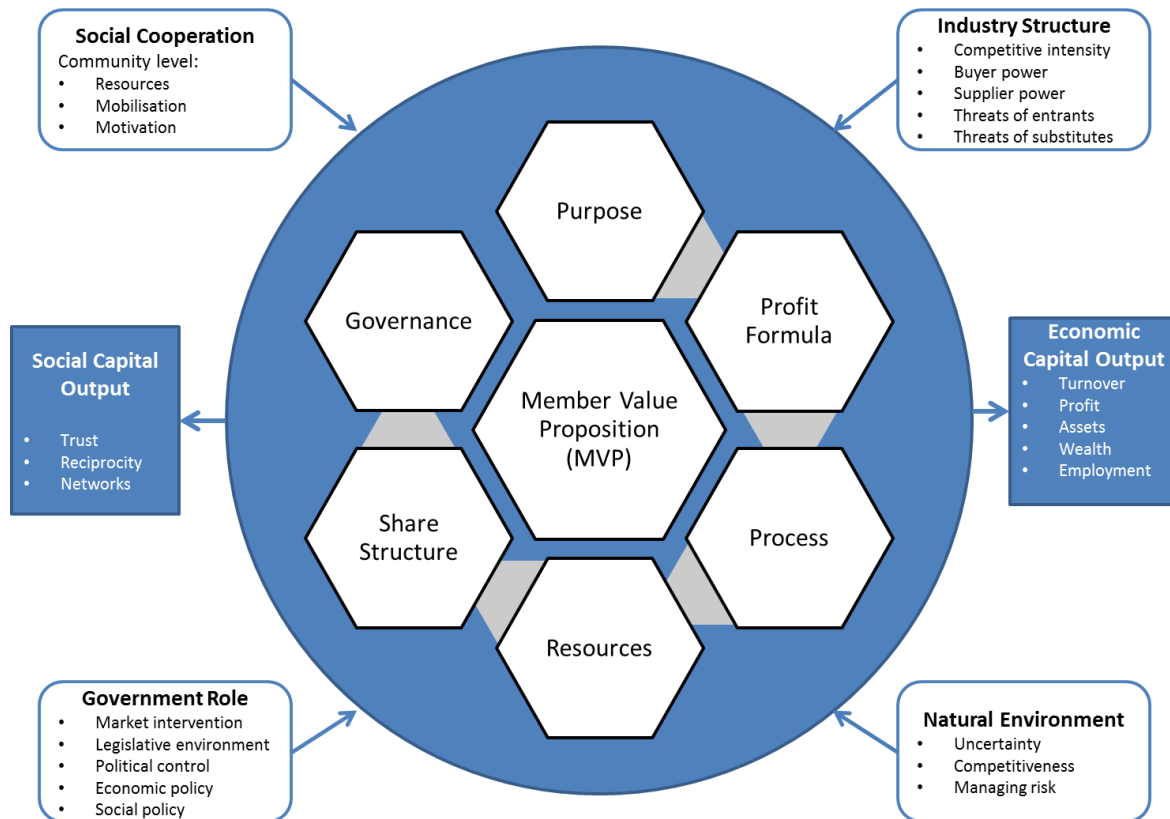


Figure 3: The Business Model Framework

Using concepts and techniques taught in the module, students will critically assess the business model design as used by their own or a third-party organisation. Of particular importance will be the way in which these elements are interconnected and configured to deliver the MVP in an effective and sustainable manner.

The impact of external environmental forces such as: i) support from their member community; ii) the influence of government or regulatory agencies; iii) the competitive dynamics of the industry sector or market in which the business operates, and iv) the impact of the natural environment on corporate strategy.

They will also be tasked to examine the social and economic capital output generated by their co-operative or mutual enterprise. This will be important later when assessing the overall impact the enterprise has on its membership and the wider community.



3. Module 2: *Governance and Leadership in Member Owned Businesses*

Module description:

This module examines the specific challenges facing the board and executive management of a co-operative or mutual enterprise. In particular the module addresses the issue of managing within a democratic organisation. Key factors explored are the three interconnected tensions facing board members (e.g. representing the interests of members, managing controlled growth and supporting executive managers). Attention will be given to theories of Agency, Stewardship, Stakeholder, Resource Dependency and Managerial Hegemony to understand the tensions faced by Boards and Executive Managers within co-operative and mutual enterprises. Also examined will be the role of the co-operative as a coalition or strategic network and the dynamics of managing within such organisations. Case studies will be used to guide the learning process.

Learning objectives:

Managers who complete this module should be able to:

1. Understand and demonstrate knowledge of the theory, nature and implications of governance within member owned businesses.
2. Examine different types of member control within member owned businesses and the implications this has on board structure, articles of constitution and bylaws.
3. Demonstrate an understanding of the responsibilities and duties of directors of member owned businesses and the differences between governance in these and other types of organisation (e.g. investor owned and not-for-profit enterprises).
4. Examine their own organisation's governance and board structure and critically assess its strengths and weaknesses with a view to identifying areas for improvement.

Content:

- How leadership and governance in member owned businesses differs from other firms.
- The “generic” problems of the member owned business – recognising and dealing with the free riding, horizon, portfolio, control and influence cost problems.
- The duties and responsibilities of directors – three basic duties (e.g. duty of care, duty of loyalty, duty of obedience).
- The strategic role of the board – authority, accountability, making policy, and strategic planning.
- Creating linkages between the members and the board – democracy in operation.
- The importance of clarifying the responsibilities of the board and management.
- Effective partnerships between the board and management team.
- Setting strategic directions and leading change in a democratic organisation.
- Corporate policy making as an art not a science.
- Managing in a crisis.



Action Learning Task 2: Members, Managers and the Board

Students will undertake a review of the structure and governance of their own or a third-party co-operative or mutual enterprise. This will involve interviews with board members and an examination and critical analysis of the organisation’s constitution and articles of governance. Part of the purpose of this ALT will be to examine the operation of the board and its relationship with the executive management team. The organisational governance framework developed by Cornforth (2004) outlined in Table 1 will be used as a foundation for the examination of these areas.

Table 1: Organisational Governance Framework

Model	Board primary role	Description
Compliance	Conformance	Board are the representative of the owner-members tasked to safeguard the “owners” interests, oversee management and check compliance. The board and management have different interests. (Theoretical foundation: “Agency Theory”).
Partnership	Performance improvement	Board are experts focused on adding value to the top level strategy and planning. They partner with management and offer support and find common ground between the interests of members and of management. (Theoretical foundation: Stewardship Theory).
Democratic	Political	Board are elected representatives of membership and carry with them the interests of the members and wider general community. They represent member interests, make policy and control the firm’s executive management team. (Theoretical foundation: Democratic perspective).
Stakeholder	Political	Board are the representatives of special interest stakeholders that have differing interests to each other. Their role is to balance the needs of their stakeholders, make policy and control the firm’s executive management team. (Theoretical foundation: Stakeholder Theory).
Co-optation	Boundary spanning	Board are selected on their ability to influence key stakeholders as there are significant differences between the organisation and the stakeholders. Their role is to secure resources, manage stakeholder relations and external relationships. (Theoretical foundation: Resource Dependency Theory).
“Rubber stamp”	Symbolic	Board’s role is largely symbolic, ratifying decisions and giving legitimacy to the executive management team who hold real power. The members of the board are selected from the membership which has different interests to the firm’s managers. (Theoretical foundation: Managerial Hegemony Theory).

Source: adapted from Cornforth (2004)

Students will be tasked to classify their own, or a third-party organisation’s board into one of the six models listed in Table 1. In doing this they will need to provide evidence to support their contention, and to identify the implications for this on the long term operation of the organisation.

Key issues to be examined will be:



- Board organisation and composition (e.g. are members only permitted to sit on the board or does it allow for outsiders?).
- Constitutional structure of the company and board selection.
- Assessment of the relationship between the board, members and management in relation to:
 - Authority and Accountability.
 - Clarity over the responsibilities of the board and the management.
 - Board's role in providing a linkage to members.
 - Policy making and decision taking.

In undertaking this ALT the students will be expected to not only classify the board against the framework outlined in Table 1, but to discuss these key issues and relate them to the various theoretical foundations so as to demonstrate understanding of their relevance.



4. Module 3: *Marketing Our Cooperative Advantage (MOCA)*

Module description:

This module examines the co-operative or mutual as a service organisation with the purpose of delivering value to members. The factors that influence member satisfaction, value recognition and then convert into member identity and loyalty will be addressed. How member value is recognised and measured within member owned businesses; and the theory and practice learnt from services marketing will be overviewed. Students will apply a Service Dominant Logic (S-D Logic) framework to examining the marketing and member engagement activities within the enterprise. Students will be tasked to undertake a member satisfaction, identity and loyalty review of their own organisation using standard measurement tools.

Learning objectives:

Managers who complete this module should be able to:

1. Understand and demonstrate knowledge of the theory and practice of marketing within member owned businesses including the concept of Marketing Our Cooperative Advantage (MOCA).
2. Examine different types of member engagement with a co-operative or mutual (e.g. patron, investor, owner and community member) and how this impacts on their loyalty and expectations of value from membership.
3. Demonstrate an understanding of the concept of service dominant logic (S-D Logic) and how it can be related to the co-operative and mutual business.
4. Examine their own organisation's approach to member engagement and marketing, and then critically assess its strengths and weaknesses with a view to identifying areas for improvement.

Content:

- The co-operative and mutual enterprise as service businesses and the importance of S-D logic thinking.
- Linking the member value proposition and the business model of the co-operative or mutual enterprise.
- Applying S-D logic to the co-operative and mutual enterprise.
- Members wear "four hats" – their role as patrons, owners, investors and members of their community.
- The importance of trust, emotional value and affective commitment to member loyalty.
- Adopting a MOCA orientation in marketing.

Action Learning Task 3: Member Engagement and Loyalty

Students will undertake a review of the marketing and member engagement activities of their own or a third-party co-operative or mutual enterprise. This will involve interviews with managers, front line staff and members. The conceptual foundations for the ALT will be the notion of Marketing Our Co-operative Advantage (MOCA), pioneered by Webb (1996) which suggests that co-operative and mutual enterprises should promote their mutuality and member ownership to members more than



they do. The approach taken should be that of “**character marketing**”, not “image marketing”. The latter is about “getting others to believe what we want them to believe about us”. By comparison the former is “about communicating what we really are, communicating what we are all about”.

Building on this foundation will be the understanding from research into member loyalty and engagement, that the member is motivated more by emotional value and affective commitment than by financial or functional value (Mazzarol, Soutar and Mamouni Limnios, 2012). Further, members play different roles or wear “four hats”, relating to their roles as a patron, investor, owner and member of the community that joined together to form the co-operative or mutual.

Students will seek to classify their own, or a third-party organisation’s marketing and member engagement activities against the framework outlined in Table 2. In doing this they will need to provide evidence to support their findings and demonstrate an understanding of the theoretical or conceptual foundations that underpin the framework.

In undertaking this ALT the students will be expected to not only classify the organisation’s marketing and member engagement strategies against the framework outlined in Table 2, but to discuss these key issues and relate them to the various theoretical foundations so as to demonstrate understanding of their relevance.

It is the purpose of this ALT for students to critically assess how well the organisation’s business model aligns with its member engagement and marketing strategies. Understanding the way that members relate to the business and the relative importance of the “four hats” they wear should also be examined.

The application of S-D Logic thinking to the marketing of co-operatives and mutual enterprises is also a critical outcome from this ALT. Since its introduction into the domain of marketing science in the past decade, S-D Logic has begun to transform the way organisations think about the process of value creation (Vargo and Lusch, 2004; 2008; Lusch and Vargo, 2011).

The key principles of S-D Logic suggest that the primary focus of a business in marketing should be on service not products. It is the process of “value-in-exchange” where the organisation and its customers – in this case members – connect and develop opportunities for co-creation of value. How value is determined will depend on the perception and context of each beneficiary. As noted above, it may be financial or non-financial in nature.

The emphasis with S-D Logic theory on service and co-creation of value fits well into the broader business model framework of the co-operative or mutual enterprise. These businesses are essentially service firms and the way they handle the “value-in-exchange” process with their membership will ultimately determine how they identify and sustain their MVP.



Table 2: Marketing and Member Engagement in Member Owned Businesses

Four Hats	Key drivers
Patron	Functional value, specifically quality of service.
Investor	Financial value specifically returns to investment via share capital or cost of transactions (e.g. pricing & rebates).
Owner	Emotional value and continuance commitment, specifically feeling that you have a strong commitment that would be lost if you left. Also the desire to be a member and being able to identify with the business as an owner.
Community Member	Affective commitment, specifically feeling a personal and emotional attachment to the business, a strong sense of belonging to it and its purpose, plus sharing these feelings with others.
Principles of MOCA	
<ul style="list-style-type: none"> • Focus on “character” not “image” marketing • Communicate your purpose and why you are different, building a basis for deeper relationships • Engage and build trust with the membership • Give members something to believe in that is a purpose built on values and principles 	
Principles of S-D Logic as applied to a member owned business	
<ul style="list-style-type: none"> • Service is the fundamental basis of exchange – the transaction process is the key. • The member is always a co-creator of value – there is a two-way flow between member and business that must be recognised and understanding “value-in-exchange” is critical. • All social and economic actors are resource integrators – the context of how value is created is understood by the interaction of networks and the roles of producer and consumer. • Value is always determined by the beneficiary – value is in the eye of the beneficiary and is therefore idiosyncratic, experiential, contextual and meaning laden. 	

Sources: adapted from Mazzarol et al (2012), Webb (1996), Vargo and Lusch (2004).



5. Module 4: *Financing Co-operative and Mutual Businesses*

Module description:

This module examines the financial management of co-operative and mutual enterprises and the differences between them and investor owned businesses. It addresses the corporate reporting requirements, capital structures, of distributing and non-distributing forms and the use of Co-operative Capital Units (CCU). The need to balance patronage and investor interests in the design of corporate financial structures will be examined along with specific financial reporting requirements for co-operative and mutual businesses in Australia. Students will be tasked to undertake a review of their own organisation's financial structure.

Learning objectives:

Managers who complete this module should be able to:

1. Understand and demonstrate knowledge of the theory and practice of financing member owned businesses including the use of Cooperative Capital Units (CCU).
2. Examine the nature of ownership rights over share capital and the problems of vaguely defined shareholder rights in the structure and governance of co-operatives.
3. Demonstrate an understanding of the interplay between control rights, governance and ownership within member owned businesses and how this impacts on the financial structure and strategy of the enterprise.
4. Examine their own organisation's approach to equity structures, ownership rights and financing, and then critically assess its strengths and weaknesses with a view to identifying areas for improvement.

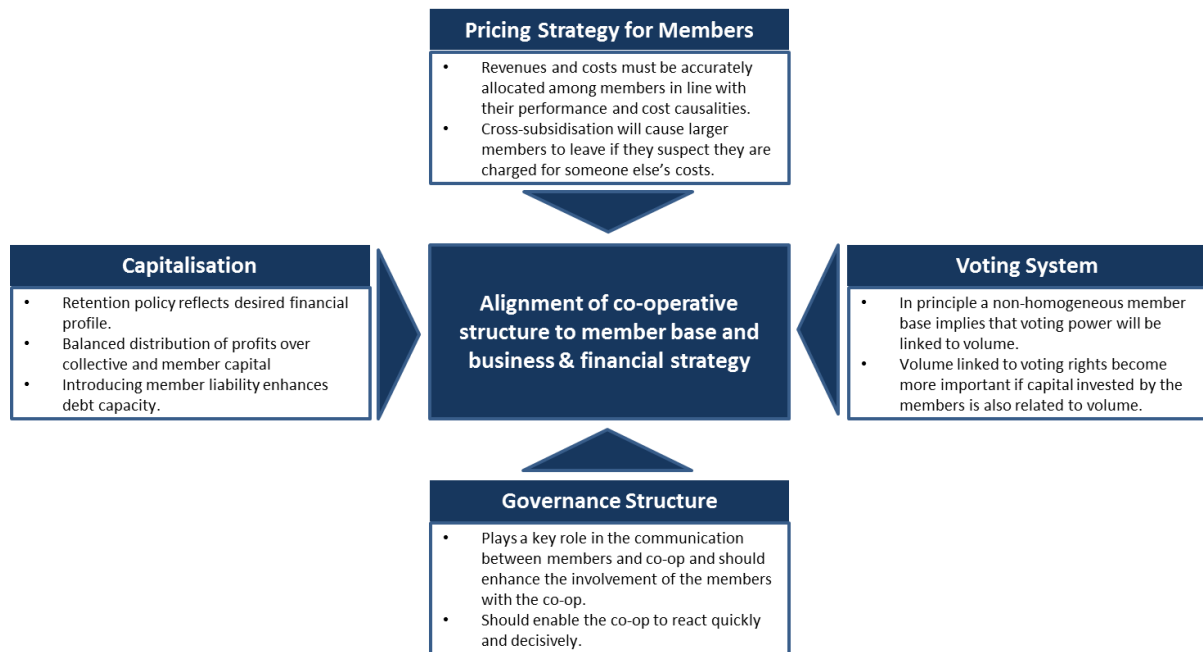
Content:

- **Funding a member owned business** – is the notion of constraints to the acquisition of external financing in co-operatives and mutual enterprises a myth or a reality?
- **What are the key sources of funding?** – Member equity, debt, retained earnings.
- **Financial reporting in member owned businesses** – Understanding the balance sheet, Profit & Loss and Cash Flow Forecast and whether they differ from investor owned firms.
- **Shareholder Ownership Rights and their strategic impact on mutuality** – is share capital restricted to patronage, is it redeemable, transferable and convertible, and how is it allocated? (see: Chaddad and Cook, 2004)
- **Cooperative Capital Units** – what are CCUs and what can they offer?
- **Different financial structures** – traditional, hybrids, new generation, converted and limited liability companies the pros and cons (see: Bekkum and Bijman, 2006).



Action Learning Task 4: Financing Options for Member Owned Businesses

Students will undertake a review of the financial structure of their own or a third-party co-operative or mutual enterprise. This will involve an examination of the organisation's financial reports and how the business has aligned the four key elements show in Figure 4.



Source: Rabobank (2010)

Figure 4: The Financial and Business Strategy of Member Owned Businesses

The aim of this ALT is to get students to understand the interplay between the four key elements of share capital structure, governance structure, voting rights and pricing strategy. How these elements are aligned will have significant impact on the business and financial strategy of the co-operative or mutual enterprise.

Drawing on theoretical frameworks and case study evidence provided in the program, students will examine their own or a third-party businesses alignment of these four elements. Financial and non-financial data will be required as well as interviews with management where required. Key questions/issues that will need to be addressed are:

- How is share capital dealt with by the business including ownership rights, links to patronage, redemption, transferability and convertibility?



- Is there a need for third-party equity outside the membership and how would this be handled so as to protect mutuality and democracy?
- How voting rights are allocated within the business in relation to share ownership and how does this impact on governance, member involvement and democracy?
- The relationship between the financing of the business and the setting of prices for members. Specifically,
 - Are pricing and rebates are linked to patronage?
 - Are there price differentials between members and non-members?
 - How is profit considered and dealt with in the business?
 - Is there tension between larger or more active members and smaller or more inactive members over pricing?
- Would the business benefit from the use of CCU's and if so how would it seek to use them?



6. Module 5: *Legislative Structures and their Impact on Co-operative and Mutual Enterprises*

Module description:

This module examines the legislation specific to the co-operative and mutual business sector in Australia. This would include the Co-operatives National Law (2012), plus the various State and Territory Co-operatives legislation and associated regulations. Co-operatives that operate as non-profit organisations, those registered under the Corporations Act (2001), but trade as unlisted public companies will also be examined along with the pros and cons of each structure. The specific requirements of financial mutual enterprises will also be examined. This will address the regulation of financial mutual firms by the Australian Prudential Regulation Authority (APRA). Comparative legal environments will also be examined with reference to legislation in other countries.

Learning objectives:

Managers who complete this module should be able to:

1. Understand and demonstrate knowledge of the legislative and regulatory environment relating to co-operative and mutual enterprises within Australia and overseas.
2. Assess the impact of this legislation on the establishment and operation of member owned businesses.
3. Demonstrate an understanding of the role government policy can play in enhancing or impeding the growth of co-operative and mutual enterprises.
4. Examine their own organisation's compliance under relevant legislation, and then critically assess its impact with a view to identifying areas for improvement.

Content:

- The legislative and regulatory environment in Australia and its impact on member owned business.
- Overseas legislative and regulatory environments and their comparison to Australia.
- The *Co-operatives National Law* and national regulations.
- Regulation of co-operative and mutual enterprises state by state.
- Reporting obligations under different regulatory regimes.
- Impacts on governance, control rights and the raising of capital.
- Dispute resolution.
- Co-operative versus unlisted public company?



Action Learning Task 5: Legislation and Regulation

Students will undertake a review of the relevant legislative and regulatory environment that relates to their own or a third-party co-operative or mutual enterprise. This will involve an examination of the relevant state or federal Acts that the business must operate under. The aim of this ALT is to get the students to identify the nature of their legal and regulatory environment and the compliance requirements that these impose on the business.

Students will develop a list of the state or federal Acts that may impact on their business and use this to prepare a report to the board outlining the compliance issues that must be addressed. This should consider the issues outlined in Table 3.

Table 3: Legislation and Regulation of Member Owned Businesses

Issue	Considerations
Registration of business (WA Co-op example)	<ul style="list-style-type: none"> • Number of members required for formation • Type of business – distributing, non-distributing, co-op or mutual • Primary purpose or activity • Assessing “active membership” • The rules governing the business • Fees and charges • Election of board members
Disclosure statements (WA distributing co-ops example)	<ul style="list-style-type: none"> • Active membership provisions • Rights and liabilities of share holding • Capital requirements for business
Role of board and Director’s responsibilities	<ul style="list-style-type: none"> • Composition of board and election provisions • Use of independent directors • Responsibilities of board • Penalties for failing to carry out duties • Removal of directors
Ongoing operation of business	<ul style="list-style-type: none"> • Financial management provisions • Payments to directors • Financial reporting & auditing • Maintenance of records and registers • Co-operative Capital Units and fundraising • Non-financial management – rules, reporting, membership, voting, meetings and dispute resolution.



7. Management Case Study:

A Group Project

Module description:

This group project will examine one or more co-operative or mutual businesses and how to improve them, by applying all the material covered in the program. It is anticipated that it will be possible to recruit participating co-operative or mutual enterprises with the assistance of industry groups such as Co-operatives WA in the sourcing of participating businesses.

Duration:

This module will comprise approximately 3 to 4 months.

Learning objectives:

Managers who complete this module should be able to:

1. Demonstrate they can apply all the elements of the course into an applied situation within a member owned business.
2. Critically assess the problems facing a co-operative or mutual business from a strategic perspective and evaluate its business model.
3. Examine the governance and leadership within the business, identify areas of concern and make recommendations for improvement.
4. Assess the effectiveness of a co-operative or mutual enterprise's approach to enhancing member engagement and loyalty and make appropriate recommendations for change.
5. Review the financing options for a member owned business and assess the organisation's ability to correctly align its structure to member base with its business and financial strategy.
6. Examine the legislative and regulatory environment surrounding a co-operative or mutual enterprise, determine if it is complying with these requirements and make recommendations for change.



8. Assessments & Accreditation

Participants who wish to have the program recognized for accreditation towards postgraduate level programs at the University of Western Australia (UWA) should be willing to complete the following assignments and submit them for assessment by academic staff at UWA. There will also be additional tutoring for participants who wish to undertake this accreditation. There will be an additional cost for this component of the program.

Listed below are potential assignment tasks that map back to the course modules. It should be noted that not all these tasks will be required and the final list of assignments will be subject to negotiation with UWA and will relate to the amount of advanced credit that is being sought and offered. **These assignments listed below should therefore be viewed as indicative only.**

Module 1

1. **A written report** summarising their critical analysis of the business model of their or a third-party co-operative or mutual enterprise. Student's will be expected to demonstrate both an understanding of the theory associated with business model design, but also how to apply this to a co-operative or mutual enterprise and make detailed recommendations to senior management over improvement. This assignment can be undertaken either individually or in small groups and can be part of the overall management case study project. [60% of marks]
2. **Short-answer or multiple choice tests** designed to assess knowledge of key concepts and definitions as well as understanding of theory. These can take the form of an online test. [20% of marks]
3. **A case study analysis** that can be undertaken either individually or in groups. It can be discussed in class as a group exercise with a group presentation and/or undertaken as an individual assignment. [20% marks]

Module 2

1. **A written report** summarising their critical analysis of the governance and board structure within their or a third-party co-operative or mutual enterprise. Student's will be expected to demonstrate both an understanding of the theory associated with the governance of member owned businesses and how to apply this to a co-operative or mutual enterprise and make detailed recommendations to senior management over improvement. This assignment can be undertaken either individually or in small groups and can be part of the overall management case study project. [60% of marks]
2. **Short-answer or multiple choice tests** designed to assess knowledge of key concepts and definitions as well as understanding of theory. These can take the form of an online test. [20% of marks]
3. **A case study analysis** that can be undertaken either individually or in groups. It can be discussed in class as a group exercise with a group presentation and/or undertaken as an individual assignment. [20% marks]



Module 3

1. **A written report** summarising their critical analysis of the marketing and member engagement strategies and processes within their or a third-party co-operative or mutual enterprise. Student's will be expected to demonstrate both an understanding of the theory associated with the marketing of member owned businesses and how to apply this to a co-operative or mutual enterprise and make detailed recommendations to senior management over improvement. This assignment can be undertaken either individually or in small groups and can be part of the overall management case study project. [60% of marks]
2. **Short-answer or multiple choice tests** designed to assess knowledge of key concepts and definitions as well as understanding of theory. These can take the form of an online test. [20% of marks]
3. **A case study analysis** that can be undertaken either individually or in groups. It can be discussed in class as a group exercise with a group presentation and/or undertaken as an individual assignment. [20% marks]

Module 4

1. **A written report** summarising their critical analysis of the capital structure, pricing strategy, governance and voting rights within their or a third-party co-operative or mutual enterprise. Student's will be expected to demonstrate both an understanding of the theory associated with the financing of member owned businesses and how to apply this to a co-operative or mutual enterprise and make detailed recommendations to senior management over improvement. This assignment can be undertaken either individually or in small groups and can be part of the overall management case study project. [60% of marks]
2. **Short-answer or multiple choice tests** designed to assess knowledge of key concepts and definitions as well as understanding of theory. These can take the form of an online test. [20% of marks]
3. **A case study analysis** that can be undertaken either individually or in groups. It can be discussed in class as a group exercise with a group presentation and/or undertaken as an individual assignment. [20% marks]

Module 5

1. **A written report** summarising their critical analysis of the legislative and regulatory environment surrounding their or a third-party co-operative or mutual enterprise. Student's will be expected to demonstrate both an understanding of the relevant legislation and compliance issues and how to apply these to a co-operative or mutual enterprise and make detailed recommendations to senior management over improvement. This assignment can be undertaken either individually or in small groups and can be part of the overall management case study project. [60% of marks]
2. **Short-answer or multiple choice tests** designed to assess knowledge of key concepts and definitions as well as understanding of theory. These can take the form of an online test. [20% of marks]
3. **A case study analysis** that can be undertaken either individually or in groups. It can be discussed in class as a group exercise with a group presentation and/or undertaken as an individual assignment. [20% marks]



Management Case Study

1. **A written report and presentation** summarising their critical analysis of the problems or challenges facing the co-operative or mutual enterprise. Student's will be expected to demonstrate the ability to bring together all the elements encompassed in the program how to apply these to a co-operative or mutual enterprise and make detailed recommendations to senior management over improvement. This assignment can be undertaken either individually or in small groups and can be part of the overall management case study project. [Written report 70% of marks, presentation 30%]



9. References

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