

Impact case study (REF3b)

Institution: University of Leicester
Unit of Assessment: 19 Business and Management Studies
Title of case study: Value based Co-operative Management.
<p>1. Summary of the impact</p> <p>According to the International Co-operative Alliance (ICA), co-ops provide 100 million jobs globally, and there are 6000 in the UK with an annual turnover of £37 bn. Research into what constituted the distinctive features of co-operative management practice within membership based co-operative and mutual businesses helped to establish a changed development agenda for the international co-operative movements. This work supported the International Co-operative Alliance Statement of Co-operative identity and demonstrated that co-operatives should be recognised as different from other forms of small business. Dr Peter Davis's work in the Unit for Membership Based Organisations at Leicester's School of Management led to policy and educational initiatives that have been globally adopted, cited and emulated.</p>
<p>2. Underpinning research</p> <p>The early 1990s was a period of crisis for the co-operative movement globally. There were major business failures and demutualisation in various sectors and in various regions of the movement. In 1995 the movement's response was the adoption of a new statement of Co-operative Identity. Dr Peter Davis (appointed 1994, Honorary Fellow since 2009) challenged this omission (1) and along with Barker (Loughborough) and Donaldson (Imperial) had conducted a feasibility study into the establishment of a tailored programme of management development for the co-operative sector that included at its core a qualitative investigation into what he termed the 'co-operative difference' and its implications for practice (2). The research data was gathered from co-operative and credit union managers, officers and development specialists through a series of interviews with managers from seven European countries (Belgium, Cyprus, Switzerland, the Czech Republic, the United Kingdom, and Greece). A further questionnaire was developed and circulated to six African Countries (Nigeria, Zimbabwe, Uganda, The Cameroon, Tanzania, Botswana) Japan, Costa Rica, Barbados, St Vincent and the Grenadines, France and Germany. Data was gathered from 49 individual responses by senior managers and officials all currently working in the sector or for state regulators.</p> <p>The research identified four ideal types of co-operative management (3). Three were generally current in the movement – the charismatic leader, collective leadership and the civil service model. The fourth exists but is currently rare. The new emerging type is termed the Co-operative Value Based Model. It draws heavily on contemporary management literature and practice on the role of culture and values as management tools but places it in the very different context of co-operative values and ownership.</p> <p>The ILO Co-op Branch, Geneva subsequently commissioned two further case study based research projects between 1998 and 1999 examining the relationship between management methods and co-operative values and objectives (4) and a further detailed exploration between 2003 and 2004 into people management practices from the perspective of co-operative value based management (5, 6). Both pieces of research conducted extensive reviews of secondary materials and published research into the distinctiveness of co-op management and two case studies involving the active collaboration of the CEO and Senior Management Team at the UK Co-operative Bank plc. The research also attracted DiFD funding to translate the findings into a series of short course modules that were successfully conducted in collaboration with the Co-operative College of Malaysia in Vietnam as a fourteen day management short course programme in 2000 and as two further international management short course programmes of nine days in 2005 and ten days in 2006 with the Negev Institute for Strategies for Peace and Development and the International Centre for Co-operative Studies in Israel.</p>

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The underlying research, and its validation through sustained engagement with practitioners, has resulted in global impact on the co-operative movement, and contributed to a shift in co-operative management development as Management's understandings of co-ops have shifted towards the fourth ideal type.

3. References to the research

1. Barker, J, Davis P and Donaldson J, (1994) *The Management of Co-operatives*. The Universities of Leicester and Loughborough.
2. Davis P, (1995) 'Co-operative Management and Co-operative Purpose: Values, Principles and Objectives for Co-operatives for the 21st Century', *Discussion Papers in Management Studies*, No 95/1 (Translated into Greek by the Co-operative Secretaries Association of Cyprus.)
3. Davis P and Donaldson J, (1998) *Co-operative Management. A Philosophy for Business*, Cheltenham: New Harmony Press, Cheltenham. (Translated into Spanish as *Management Cooperativista* in 2005.)
4. Davis, P (1999) *Managing the Co-operative Difference*. Geneva: International Labour Organization.
5. Davis, P (2004) *Human Resource Management in Co-operatives. Theory, Process, and Practice*. Geneva: International Labour Organization.
6. Davis, P (2006) 'Beyond Human Resource Management in Co-operatives' *Cross Cultural Management* 13/1: 69-95.

4. Details of the impact

Davis's impact on co-operative education and practice has been global and longstanding, particularly via the Geneva based International Co-operative Alliance (ICA). Robby Tulus, a Senior Policy Advisor to the ICA, suggests that 'in the past co-operative leaders and managers were more inclined towards conventional management models introduced by private stock companies in maximizing profits, they are currently adopting a much more value-based management model which put co-operative members as supreme stakeholders and hence maximizing their welfare as owners rather than simply the pursuit of profits.' He, and many others, see this change as the result of Davis's work.

The initial research led to the trial of an M level DL programme in co-operative management at Leicester which became the model for four similar programmes - two in Africa, one in Europe and one in another in Canada – all of which are in operation during the period. Prior to 2008, Davis was invited to be one of 16 academics brought together to advise the United Nations on its global policy towards co-operatives in 2003 by the UN's Anti-Poverty Unit. Davis and the ICA Communications Officer were requested by the panel to draft the section of the Secretary General's speech to the UN General Assembly for 2004 dealing with UN policy towards co-operatives. Davis was also asked to deliver a seminar paper at the UN. In 2005, the ICA General Assembly in Cartagena, Columbia used the title of one of Davis's books as the title for their conference (4).

During the period 2008-13 Davis continued to have impact on the sector by speaking to practitioners, academic dissemination (often in translation), the operation of the School's 'Unit for Membership Based Organizations', and editing the School-based *International Journal of Co-operative Management*. In August 2008 he was funded by Ford Foundation & National Co-op Federation of Indonesia to deliver a national seminar at the USAKTI University Jakarta seminar. In September 2008 he was funded by the Malaysian government to do national seminars, one of which including the Deputy Minister for Co-operatives. In May 2009 he was funded by the Co-operative Development Association of Ireland to give a keynote presentation at their national conference and in June 2009 funded by University College Cork for a keynote presentation

opening their Masters in Social Economy Management Summer School. He was funded by the European Research Institute for Co-operatives and Social Enterprises (Euricse) based in Trento, Italy, to be a participant at two international seminars - one in Italy in 2009 and one in Belgium in 2010 concerning the establishment and development priorities for Euricse. In 2009 he was funded by CUDECOOP (the Uruguayan co-operative federation) to be a speaker at their national strategy conference and to present two strategy papers as an advisor to the Uruguayan Co-operative Movements National Executive and another as advisor to their panel of strategy consultants. The same year he was funded by Pellervo (the confederation of Finnish Co-operatives) to be a guest speaker at their 110th anniversary celebrations.

The Asian Confederation of Credit Unions Indonesia (membership 42 million) who had awarded Davis the Raiffeisen Medal for his services to the Asian Credit Union Movement in 2008, invited him to be their key note close of conference speaker at their 40th Anniversary Conference in 2011. In the same year he was the jointly funded guest of the Indonesian Co-operative and Credit Unions Movements and the Charismatic Catholic Business Men and Women's Association of Indonesia, and gave seminar papers on Co-operative Value Based Management to Paramadina University, Jakarta; a public seminar sponsored by the Intellectual Business Community of Indonesia for CEOs for various sectors; a public seminar attended by 250 delegates organised by the Charismatic Catholic Business Men and Women's Association of Indonesia; and at the Institute of Management for Co-operatives, Bandung. This was followed by a joint seminar of the leaderships of the Indonesian Credit Union and Co-operative Movements where it was agreed to publish a translation of *Managing the Co-operative Difference*. The first impression came out later that year and sold out within 12 months.

In 2012 Davis was invited back to Indonesia sponsored by the government of Indonesia's Minister for Co-operatives to be a keynote speaker at a government conference and to give policy advice at two subsequent meetings to the Minister and to the Head of the Government Training Programme for Co-operatives and Credit Unions. The Government Conference also saw the launch of the second impression of the translated book, followed by management seminars with officers of two of the biggest Credit Unions in Sarawak and further presentations at the Institute of Management for Co-operatives at the invitation of the Head.

Also in 2012 at the invitation of the University of Moncton, Canada, Davis was asked to be the closing speaker at their Conference using the title of his book (4), and was invited to deliver the opening paper at a seminar on Co-operatives organised by the Faculty of Economics, Kasetsart University, Bangkok, Thailand.

5. Sources to corroborate the impact

A former Regional Director for Asia and the Pacific, and Senior Policy Advisor to ICA:
 'This change in management development strategy is attributable to the intensity of Dr Peter Davis interventions following his research into Co-operative Value-Based Management at the Unit for Membership-Based Organizations at the Leicester School of Management. Dr Davis' research work has also been well recognized by many Universities in Asia, and the Institute of Co-operative Development Studies in Indonesia has unceasingly promoted his value-based management model of management to various co-operative organizations as well as the Institute of Co-operative Development of the University of Padjadjaran that provides Master's Degree programs within its Economic Faculty.'

A former ICA Project Officer Latin America and President of the Risk Fund for Cooperatives, now with the Argentine Government's "Reunión Especializada de Cooperativas":
 'Dr Peter Davis's research was translated into Spanish with a prologue by the late Prof Isaac Bleger formerly of the University of Buenos Aires, and has circulated widely in Latin America. The book attracted considerable interest in the Latin American Co-operative Movement. I would judge the impact of his research on the Co-operative Movement of Latin America to be twofold. Firstly, Dr Davis has helped our Managers and Boards of Directors to better integrate the social and commercial aspects of Co-operative Business in a manner that can provide a potentially important

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competitive advantage to the co-operative in the marketplace. Secondly, his approach has influenced the management curriculum within the co-operative movement. For many years prior to Dr Davis' research Co-operative HRD focused almost exclusively on Board Member development and saw the exercise of professional management as something untouched by the co-operative context. Dr Davis's research changed all that.'

Associate Professor of Economics in the Management and Development Department, Moshi University College, Tanzania:

'His research had great impact on the academic and research community when he clearly drew the distinction between Co-operative Management and Corporate Management in Investor Owned Firms. The research by Dr Davis, also, had great impact on the teaching, learning and research strategies of the Moshi University College of Co-operative and Business Studies, as it developed as the first university for co-operative studies in Africa.(...) our collaboration with the Unit of Membership Based Organisations of the University of Leicester provided an additional index for the transformation of the former Co-operative College into a University institution, because there was such a demand of prior institutional collaboration with universities and programmes in and outside Tanzania. We have also expanded our co-operative research activities covering co-operative financial services, co-operative business management and innovation, governance, member empowerment and co-operative policy and legislation studies.'

Director of HRD of the International Co-operative Alliance (ICA) (1992 to 1999):

'Although co-ops are first and foremost businesses, they also have a social dimension. This dimension finds its expression in co-operative values (solidarity, ethics, shared objectives, etc.), which are crucial for its business as well as social development. However, co-op managers have not always recognised this, often focusing on business and forgetting the culture. Dr Peter Davis did a lot to correct and change this by coining, bringing attention to and promoting the concept of Co-operative Value Based Management. This concept resonated with the global co-operative movement at a time when the revision of the co-op principles highlighted the co-operative identity issue and the importance of the co-op values. It was the main topic at countless co-op workshops, seminars and conferences in every region. More importantly, it led to a shift in co-op management theory and practice.'

Further testimonials can be provided.