

Date: 2002
Author: Oihana Garcia and Jon Sarasua
Original language: Spanish
Origin of the text: Reflection about co-operative integral participation.



Guidelines for comprehensive participation

There are many reasons to believe that co-operatives, alongside other forms of social economy, are currently entering a new phase of their history. The changes that have occurred on the global social scene pose a number of questions and challenges for co-operativism, which are forcing it to rethink its key aspects within this new context.

As a specific way of 'being' or acting within the economic field, co-operativism needs to adjust its purpose and meaning in the light of a new world order in which development models are the subject of profound, deep-rooted controversy, in which solidarity acquires global dimensions and in which the business world is evolving in opposing directions, a phenomenon which often places the social economic sector in a somewhat paradoxical situation.

There can be no doubt that we must constantly rethink and redefine many areas of co-operativism, such as external social responsibility, the combination of local activities and expansion into new areas, the working culture and co-operative education, etc. Among these, one area which has always been at the heart of co-operativism is, without doubt, the issue of participation, since in co-operatives, participation takes on a status all of its own.

If co-operativism really wishes to become part of the hopes and dreams of the new generations, it will need to redefine its meaning, creating and unifying elements of meaning within this new scenario. One of the most important of these elements will be the development of a participation model truly worthy of the term 'business democracy'. It is a long and complex task. This paper aims only to provide a series of preliminary guidelines regarding possible ways of approaching this undertaking.

1. Two types of literature

There are two substantially different types of literature that deal with this theme. One of them is clearly dominant and is practically the only one commonly known in co-operative management circles. The second is more critical in nature and further removed from both the immediate necessities of managers and from the realities of business practice. Nevertheless, it is interesting to examine both types of theoretical literature, in order to try and gain a clearer picture of the field from a number of different angles.

1.1. Literature on the *new business culture*

For decades now we have been bombarded by theories, models and courses on participation within the company. The business world seems, somewhat paradoxically at times, to be evolving towards more participatory management models. There is a large body of literature on the theme of management and the *new business culture*, which talks about participation in the company as an unstoppable process and makes constant reference to values such as competitive advantage, new forms of horizontal management and the importance of involving the bodies, mind and hearts of workers. It is a literature and praxis that has many positive aspects and which poses questions that are slowly worming their way into the consciousness of the vast majority of managers:

- The development of personal autonomy and a greater degree of freedom at work
- The decentralisation of the decision-making process
- The development of workers' creative potential
- The importance of involvement in a common project from the perspective of this new-found autonomy

These are the key aspects that constitute one of the principal ethical challenges facing today's business world. This type of literature is constantly developing a wide range of new possibilities and tools. We believe that co-operatives should be open-minded regarding these developments and willing to learn from them. However, this type of theoretical literature is fairly well known, which is why we have chosen to focus more on illustrating the arguments proposed in critical publications, not because we consider them to be more important or valuable (since this is not always the case), but because we believe that this second approach has not received the recognition it deserves within the business environment.

1.2. Critical literature

As mentioned above, there is a specific body of literature that is critical of current business tendencies and which situates them within a wider context. This critical literature argues that the new forms of company organisation may, at the end of the day, be nothing more than a new response to the demands of a maxim which seeks only to optimise the value perceived by shareholders. It reminds us that the concept of worker autonomy, to which reference is so often made in management circles, may in fact serve the purposes of new forms of power which, in the end, continue to be profoundly heteronomous.

The new global scenario, characterised by increasing inter-company competitiveness, forces companies to search for new ways of fostering and controlling work in order to optimise their profits. Such new methods may include bringing the human dimensions (emotions, etc.), that formerly served as a refuge for workers from the rational logic of economics, under the company umbrella. Often, such approaches of total involvement with the company go hand-in-hand with the loss of workers' social and territorial roots and a demand for total availability (as regards geographical mobility and working hours, etc.), in order to respond to the company's need for flexibility. Furthermore, this availability is something which, due to the precarious conditions of the job market, workers find it very difficult to refuse.

From this critical perspective, the new business culture can be seen as a form of subtle submission, in which in truth, neither the ownership, control nor profits of the company are actually in the hands of the workers. The invisible but omnipresent driving force behind the entire process of business renovation and reconceptualisation is the increasing demand for value by shareholders, and everything else is subordinate to this purpose. In this sense, it is a critical approach which points to the term self-exploitation, or induced self-exploitation, as the new competitive strategy. We are talking about none other than the perversion of values: the use of values and noble human concepts *for ulterior motives*.

According to this critical body of literature, these transformations in the business world, coupled with a backslide in the progress made within the field of labour law, have resulted in the intensification of work, a lengthening of the working day and a general vagueness regarding job definitions, which results in an increasing number of contents and tasks being assigned to each worker. The new responsibilities and pressures being exerted on workers have given rise to a series of psychosocial consequences that have resulted in illness produced by internalised pressure and stress, an occurrence which clearly points to the dangers of demanding total and exclusive dedication to the business project.

Underlying this analysis is the idea that the business world, with the large corporations at its head, is the driving force behind unsustainable development and constitutes the non-democratic face of the global framework. There is a substantial series of data which point to an alarming global situation totally at odds with the prevailing dialogue of participation and social responsibility: the progressive concentration of capital in the hands of the minority; the increasing inequality regarding the distribution of world income, even within advanced countries; and the process of decentralisation of production activities towards countries with cheap labour and more flexible, un-enforced or non-existent labour laws, in response to shareholders' demands for higher rates of profitability.

If we look at management discourses from this global socio-economic perspective, we see that, due to their very obviousness, certain key aspects are often overlooked in discussions on participation: the basic motivation and driving force behind this concept lies in shareholders' demands for profitability, a desire for accelerated competitiveness and unsustainable growth. Critics ask themselves whether it is better for salaried workers to be persuaded to become involved at all levels (mental, motivational and emotional) within this general trend or, on the other hand, whether it is better for them to retain a certain scepticism, the distance required in order to demand their rights and the space required to develop as people outside the working environment, a space which was protected previously by the fact that they viewed the company's level of profitability as something disconnected from their own private lives.

This second type of analysis is a fairly unusual one within the myriad of ideas regarding the *new business culture*. It is also a fairly distant and, in some senses, simplistic analysis. However, it may be something to bear in mind when talking about a set of values (not only as an instrument of involvement, but also as the basis of the social significance of the praxis) which refer to human dignity, co-operation and solidarity.

When considering co-operative values, personal participation and involvement are vital and indispensable. It is therefore important to bear in mind that this type of management culture approach is, to some extent, paradoxical and ambivalent, in the sense that key human values and proposals such as autonomy and the development of creative potential, can, if not integrated within a very strict ethical framework, become a subtle sort of submission, a cleverly disguised colonisation of

essential human energies for the purposes of economic projects that are not truly democratic and which are based on a purely competitive and accumulative set of attitudes.

2. Guidelines for a personal outlook

Being aware of different points of view both in favour of and against such processes is useful in the sense that it enables us to develop our own attitude to participation. This section offers a set of four guidelines which we hope will serve as a basis for this attitude. Since much has been written about this theme, we do not aim to give a global view of participation, but rather to highlight certain areas that need to be developed:

- . Participation with an endogenous vision
- . Comprehensive participation
- . Sustainable participation
- . Comprehensive participation in a social sense

2.1. An endogenous vision

Co-operativism, as a specific way of 'being' or acting within the economic field, offers a unique way of approaching and experiencing participation. Its historical roots, essence and 150 years of experience qualify the co-operative movement to speak about participation with a certain degree of authority. The aim, therefore, is not simply to adhere to the current discussions regarding participation that abound within the *new business culture*. Rather, co-operatives can and should **develop their own, endogenous participatory paradigm**. We say own and endogenous because this paradigm encompasses a number of specific elements which make it possible and which share the same *raison d'être* as the co-operatives themselves.

In this sense, some authors have criticised the low level of creativity and pro-activity shown by co-operatives over recent decades, in the sense that they have restricted themselves to validating and attempting to apply theories that, in the words of George Cheney, an expert in co-operativism at Mondragón, are based on 'the way in which everybody is talking about these things in America'. This author concludes that:

'In Mondragón the 'knowledge received' from business administration consultants and leading writers is often accepted on face value without being questioned at all. It was evident that both the language and methods of reorganisation involved a substantial borrowing of concepts derived from the experiences of non co-operative multinational corporations. I was surprised on various occasions by the lack of creativity in the area of developing new participation and productivity programmes, especially in light of the co-operatives' rich social tradition and track record of ingeniousness.'

We should ask ourselves to what extent Cheney's view is a faithful reflection of the true situation. There are a number of co-operatives that are deeply involved in the field, at least within the area of management participation (although even their activities are inspired to a large extent by this borrowing of concepts from multinational corporations to which Cheney refers). Furthermore, MCC has compiled a document outlining a Management Model, to be used as a management reference for the entire corporation. In light of this, we believe that the heart of the co-

operative movement has enough elements to enable it to be more proactive in thinking about, designing, experimenting with and applying its own forms of participation. Due to the specific nature of the co-operatives themselves, comprehensiveness may constitute one of the key characteristics of this personal and endogenous vision of co-operative participation.

2.2. Comprehensive participation

We shall take as a reference those co-operatives in which the work has been 'co-operativised' regardless of whether or not any other area has received the same treatment. All these co-operatives have two areas of participation in common: institutional or political participation and participation in the technical or functional management of their specific jobs.

This twofold participatory dimension is somewhat demanding, but also offers the possibility of lending participation a global co-operative coherence, a comprehensive character in which both areas serve to reinforce each other. At this moment in time, when participation in management is becoming increasingly important in the business world, co-operatives are faced with an historic opportunity to develop participation methods that encompass all their unique potential in this twofold dimension.

For this reason, the aim is not to see participation in management or operative involvement as a panacea, reducing co-operativism to mere political-institutional participation. There are many schools of thought in the various co-operatives which wholeheartedly approve of new participatory management techniques, proposing them as the only truly important goal, regardless of the institutional framework in which they are developed and subordinating all other co-operative principles to this purpose. This is similar to what is happening in other types of companies, but there is a very real danger of forgetting other important aspects and of losing this opportunity of moving towards comprehensive participation.

In our opinion, in order to move towards comprehensive participation, we should be striving to obtain an institutional co-operativism that is not lighter, but rather more demanding. We need to go one step further and try and move towards **global co-operative coherence**. Participation at an operative level becomes most coherent within the framework of what we would term *comprehensive co-operativism oriented towards social transformation*, in a collective social sense.

To achieve this, co-operativism can choose to a) be open-minded, learn about, experiment with and apply participatory techniques which, while coming from outside the movement, are nevertheless interesting. Similarly, they can b) pay particular attention to ensuring that the democratic functioning of their management and governing bodies does not deteriorate. They can choose to constantly oil the workings of their political-institutional participation system by adapting methods and remodelling and creating new bodies if necessary. At the end of the day, they can also choose to c) develop the two dimensions of participation harmoniously through their own R&D activities. These two dimensions characterise their very nature and offer co-operatives a unique opportunity for joint development. All this requires d) development, updating and a forward-thinking view of a shared social sense which responds to the new historical context on the basis of the values and the heritage of social transformation to which co-operativism is heir.

2.3. Sustainable participation which strikes a balance between work and leisure time

The new historical cycle to which we referred at the beginning of this paper is characterised, among other things, by a new view of work and the place that it occupies within our lives. The so-called *post-materialist values* and sensibilities of the new generations demand (and will no doubt continue to do so with increasing intensity) that a new balance and be struck between work and leisure time. In other words, they demand a new configuration between the various dimensions of our lives.

Co-operatives may already be aware of these changes, since they are taking place within their own social base, especially amongst the younger generations, and although it is not yet a generalised trend, it is nevertheless linked to a qualitatively significant minority. Co-operativism has two fundamental and apparently contradictory areas from which to approach this new balance between work and leisure: on the one hand, the movement is heir to a deeply-rooted culture of work, and on the other, responding to the needs of its collaborators is its principal function and goal. All in all, co-operativism is in a position to make significant progress regarding ways of reconciling work and leisure, through optional part-time work and flexible voluntary commitment formulas, etc. This is a fairly new, open area which we believe will become increasingly important in the future and which should be combined with the concept of comprehensive participation described above.

In connection with this, we should also begin to think about the sustainability of both workers' involvement and commitment and of current methods of participation in management. Despite the lack of quantitative studies in this area, we see a significant number of cases in our co-operatives in which the level of involvement demanded of workers has proved to be unsustainable. This phenomenon has been observed particularly with regards to those people with a high level of commitment, involvement and faith in the project, who have ended up 'burning themselves out'. This *burn out* phenomenon, as it is known, already occurs fairly often in some co-operative environments and is also linked to the new balance between work and leisure, especially as regards the younger generations.

Devising sustainable forms of participation requires striking a balance between work and leisure in accordance with a multi-dimensional concept of life, as well as paying attention to the different components that influence motivation at work. This latter aspect is touched on in the next point.

2.4. Comprehensive participation in a social sense

Co-operatives arise out of many different traditions, but in general conform to a social ideal based on the concept of transformation. Some aspects of this social ideal (and often the core itself) may eventually become diluted, either as the result of a radical change in environment or because the co-operatives have failed to transmit or update the values upon which they are based. In light of this, a co-operative project should never cease trying to redefine a well-thought-out, shared social ideal, which goes beyond a mere additional sense of *social responsibility*, a favourite catchword in recent business discourse.

Within the framework of a co-operative project, motivation consisting solely of a) monetary motivation, b) personal development motivation and c) motivation based on a sense of belonging to a group, cannot be considered complete. A co-operative project must also include a fourth component: d) motivation based on ideology, i.e.

a shared social sense oriented towards a modern and viable project of social transformation.

Here we must once again highlight the specific nature of the co-operative movement, even though other companies often encompass these elements with a greater degree of coherence. In general, the small humanist utopia offered by the prevailing management theories regarding involvement in the company constitutes an opportunity for *personal development* (some theorists have also begun to emphasise the concept of social responsibility, but this is an entirely different theme that is both complex and highly controversial). To put it simply, what is the company asking of you? That you dedicate your body, mind and emotions to meeting its profitability targets. And what does it offer in return? An opportunity for personal development. This is the concept of the *new business culture* in a nutshell.

In co-operatives, however, personal development (as the motivation factor offered to workers) should be **located in or complemented by a social ideal** or a project of social development. We believe that even in this age of fragmented individualism, it is a grave mistake to underestimate the importance of orienting co-operative development towards a deep-rooted social project. Understanding personal development within the framework of social development oriented towards transformation is one of the keys of the co-operative identity, and one of the cornerstones of the Mondragón Co-operative Experience. It is time to rewrite elements of meaning and construct a modern, viable social project. This social project will, due to the times in which we live, necessarily be less monolithic, less severe, more multi-dimensional and more diverse. But to a significant extent, the future of co-operatives is dependent upon their knowing how to **develop these elements and use them to construct a renewed social sense of co-operativism**.

The title of this short paper indicates its intention of providing a series of guidelines. The aim of these guidelines is merely to orient or direct readers towards certain working areas that we believe may be of use when thinking about the future of participation within the field of co-operativism. They are, above all, an invitation to all of us working within the co-operative movement.

Oihana García
Jon Sarasua

Members of the LANKI Co-operative Studies Institute