

Strengthening member commitment in agricultural cooperatives

**An overview on how Dutch agricultural cooperatives seek to strengthen the
commitment of their members**

Willem Paulus
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Student:	Willem Paulus
Registration number:	861202643080
Email:	willem.paulus@wur.nl
Programme:	Master Management, Economics and Consumer Studies
Specialisation:	Management Studies
Supervisor:	Dr. J. Bijman
Department:	Management Studies
Email:	jos.bijman@wur.nl
Reader:	Dr. S. Pascucci
Department:	Management Studies
Email:	stefano.pascucci@wur.nl
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Abstract

Existing literature shows a trend of decreasing member commitment in agricultural cooperatives. Member commitment is important for cooperatives but due to various developments it seems that committed members are no longer self-evident.

Declining member commitment is a concern expressed by many cooperatives. For the management of a cooperative it is important to develop and implement measures to increase member commitment. Very little research has however been conducted on measures used by Dutch agricultural cooperatives in strengthening member commitment. In order to identify potential measures that can increase member commitment a literature study was conducted that resulted in four main factors having influence on member commitment, respectively economic, social, psychological and organisational factors. Based on these factors various measures were indicated that can increase member commitment. The results of the literature study were used to construct a list of 39 statements relating to the identified measures. The list of statements was used in 14 face-to-face interviews with managers and directors of Dutch agricultural cooperatives.

Based on the results from the interviews the use and importance of various measures became clear. The results furthermore confirm that agricultural cooperatives see or have seen a decline in member commitment. All cooperatives are aware of the importance of increasing member commitment and several cooperatives have already implemented plans and policies focused on increasing member commitment. In general the respondents however seem to be struggling in how they have to operationalize the topic of member commitment into their policies. This can for a large extend be related to the fact that most cooperatives do not measure the level of commitment. Cooperatives are therefore advised to develop tools and techniques to measure the level of member commitment.

Several developments were identified that related to measures cooperative use to increase member commitment. The three most interesting developments were (1) the focus on the members' individual enterprise and the financial results the member experiences as a result of being a member, (2) the use of a product related focus and (3) an individual focus in communication from the cooperative towards the member. Based on these results Dutch agricultural cooperatives are advised to focus in their measures designed to increase member commitment on the product of their members, the individual enterprise of their members and the added value the cooperative can realise for the personal firm of their members.

Management summary

Various developments such as a more industrialised agriculture, globalisation and liberalisation of markets have resulted in major organisational and financial challenges for Dutch agricultural cooperatives. Cooperatives try to react to these changes by merging with other organisations, finding other ways of raising capital and by developing new organisational forms. An important factor cooperatives face in undergoing these changes is member commitment. Committed members are important to a cooperative for various reasons. Due to, among others, the growth of cooperatives and the related increase in heterogeneity within the member base, commitment is declining.

Declining member commitment is a concern expressed by many cooperatives. For the management of a cooperative it is important to understand the factors that influence member commitment. Besides understanding these factors it is also useful to understand what kind of measures can be used to increase member commitment. Very little research has however been conducted on measures used by Dutch agricultural cooperatives in strengthening member commitment.

A literature study has been performed to identify factors having influence on commitment. Based on these factors various potential measures have been identified that can strengthen member commitment. The results of the literature study were used to construct a list of 39 statements relating to the identified measures. The list of statements was used in 14 face-to-face interviews with managers and directors of Dutch agricultural cooperatives. Based on the results from the interviews, the identified measures have been graded according to importance and the number of cooperatives that use the measure.

Measure	Importance
Offer a better price/quality ratio compared to competitors	***
Promote the cooperative ideology	***
Create a positive image about the cooperative	***
Make the distance between cooperative officials and members as short as possible	***
Organise activities which bring members and cooperative officials together	***
Increase personal contact of members with cooperative officials	***
Be reliable and competent in all decisions	***
Contribute to social activities or projects in the community of the members	***
Work according to the principles of corporate social responsibility	***
Organise the member base according to interest and/or geographical background	***
Emphasise the homogeneity of shared interests	***
Reward active participation	***
Assure that the voice of members is heard, appreciated and translated into decisions	***
Plan on-farm visits to members by cooperative officials	***
Stimulate informal conversations between cooperative officials and members	***
Use a multiple communication approach to reach every member segment	***
Use education programmes for members and cooperative officials	***
Stimulate interaction with members by offering possibilities to give feedback	***

Offer unique services	**
Offer services against lower price than competitors	**
Be transparent and provide objective information to the members	**
Develop a code of conduct within the cooperative	**
Provide opportunities for members to individually interact with each other (live or digital)	**
Stimulate the creation of informal relationships among members and between members and cooperative officials	**
Defend interest of members vis-à-vis public policy makers	**
Support members with administrative issues	**
Reorganise the activities of the cooperative	**
Lower the costs of participation	**
Inform members about the commitment shown by other members	**
Introduce property rights in the form of tradable and appreciable residual rights	*
Introduce individual investment-portfolios	*
Offer attractive rate of return on investments	*
Make abandoning the cooperative financially unattractive	*
Stimulate on-farm investments that are specific to the cooperative	*
Stimulate recruitment of new members by existing members via rewards	*
Promote the non-financial benefits of participation	*
Importance: * = low ** = medium *** = high	

A division was made between large and small cooperatives and input and output cooperatives. No large differences in measures used were found between these groups. Input cooperatives however seem to experience a larger decline in member commitment compared to output cooperatives. Output cooperatives seem to have the advantage of a certain level of dependency from their members.

It can be concluded that Dutch agricultural cooperatives seem to be struggling in how they have to operationalize the topic of member commitment into their policies. Cooperatives that have designed plans to increase commitment seem to experience an increase in member commitment. The extend of this increase remains however unclear since no precise data is available on the level of member commitment in these cooperatives. The level of participation in the governance of the cooperative is often seen by the interviewed cooperatives as an indicator of commitment. Cooperatives can be advised to develop tools and techniques to measure the level of member commitment and start measuring the level of commitment on a regular basis.

Several interesting developments related to the strengthening of commitment are taken place within cooperatives. The first development in creating commitment is the focus on the members' individual enterprise and the financial results the member experiences as a result of being a member. Respondents even indicate that good pricing and service are a prerequisite for creating commitment. Cooperatives in particular try to deliver added value to their members and show them what this added value means for their individual firm. Cooperatives are advised to regularly communicate the

(financial) advantages and added value the cooperative creates for the individual firm of the member.

The second interesting development that became clear during the interviews is the use of a product related focus in increasing member commitment. Members are interested and passionate about the product they produce or other aspects related to their business. There seems to be a trend within cooperatives to increase commitment by dividing members in groups according to product or activity. Several cooperatives have also started to focus their social activities, decision-making process and communication strategy according to this product focus. Cooperatives are advised to focus on product and business related interests in creating commitment and try to investigate what triggers and passionate members and translate this passion into themes of meetings and activities.

Another development is an individual focus in communication from the cooperative towards the member. An often mentioned measure that can increase commitment is personal contact. Personal contact is even indicated by 10 respondents as the most powerful communication technique in increasing member commitment. Respondents indicated that messages send by the cooperative are more often being targeted to individual members. This means that the message consists of a topic that is related to the product the member is producing or the business he is involved in.

It furthermore seems that cooperatives do not know exactly what to do with social media. It is assumed that cooperatives can create commitment via social media because it is easier and faster to interact with individual members, but not all members have access to social media and cooperatives doubt whether they can react quickly enough. Cooperatives can be advised to investigate the opportunities of social media in creating member commitment.

Almost none of the interviewed cooperatives offers investment opportunities to their members. It seems that investment problems or issues are of less importance or relevance to Dutch agricultural cooperatives. Because participation of members in investments are indicated in the literature as interesting in creating commitment, it can be advised to Dutch agricultural cooperatives to investigate the various opportunities.

Acknowledgment

This report on member commitment in Dutch agricultural cooperatives is the final part of my MSc Management Studies at Wageningen University. Over the past months I have worked with interest and enthusiasm on this research. I believe the cooperative business form has proven to be a durable business form. This research gave me the opportunity to better understand various aspects of the cooperative business form. It furthermore provided me the opportunity to broaden my knowledge and insights on a large variety of management topics.

Although positive steps towards increasing commitment have been made, it seems that most agricultural cooperatives are still searching for the right measures and strategy. I hope this research will provide insight and knowledge and eventually help agricultural cooperatives to strengthen the commitment level of their members.

I would like to thank all respondents and people who have participated in this research. I was pleasantly surprised that every cooperative that I have contacted was prepared to participate. I would especially like to thank Dr. Jos Bijman for his supervision throughout the whole process and his criticism on my work.

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1 Introduction

This chapter starts with a general introduction on the agricultural cooperative. Subchapter 1.2 introduces the position of agricultural cooperatives in the Netherlands and explains the various types of agricultural cooperatives active in the Netherlands and to what extent these differ from one another. This chapter ends with a brief overview of the structure of this report.

1.1 The agricultural cooperative

Cooperative firms occupy a strong position in many business sectors all over the world and a continuing interest exists for the cooperative business form (Galle, 2010). Due to the current economic conditions, cooperatives receive increasing attention as being a durable business form (e.g. Rabobank). The year 2012 has even been recognised by the United Nations as the “international year of the cooperative” in order to promote the cooperative business form as being both economic viable and social responsible (ICA, 2012).

“A cooperative is an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly-owned and democratically-controlled enterprise” (ICA, 2012). The cooperative business form dates back to the industrial revolution, where local craftsmen in reaction to the increasing competition with emerging large scale factories started to cooperate (Birchall, 1997). In the Netherlands the first cooperatives were found in the agri-sector in the second part of the eighteenth century. Farmers started initiatives for the collective purchasing of homogeneous products (mainly fertiliser and cattle feed). Bijman & Ruben (2005) give the following reasons for the establishment of cooperatives: “(a) overcoming market failures (access constraints and uncertain outlets), (b) enhancing economies of scale, (c) reinforcing bargaining power, (d) sharing of risks, (e) reduction of transactions costs, and (f) innovation” (Bijman & Ruben, 2005). Cooperatives were not only useful in establishing fair prices, but also to protect the quality of the product (Van Dijk & Klep, 2005). During the nineteenth century many more cooperative firms were established and due to natural grow and mergers some of these cooperatives transformed into large-scale global operating organisations with thousands of members (e.g. FrieslandCampina and FloraHolland).

Cooperatives differ from investor owned firms (IOF) in different manners. First of all, cooperatives are owned by its users, referred to as members. Second, a cooperative is controlled by the members. Third, a cooperative distributes the benefits to their members. Cooperatives have to consider the social aspects of the cooperative society, while an IOF only has to focus on the business logics (Nilsson & Hendrikse, 2011). Van Dijk & Klep (2005) indicate that the relation between a cooperative and its members is based on four dimensions. Cooperatives have a user relationship, a transaction relationship, a financing relationship, and a control relationship with its members. Based on a review of various definitions of the cooperative concept, Nilsson (1996) concludes that three factors remain that can be found in all theoretical definitions. The first factor is the user-owner principle, which refers to the members who own and finance the cooperative and also the ones that use it. The second factor is the user-control principle, which refers to the members who both control and use

the cooperative. The third factor is the user-benefits principle, which refers to the benefits of the cooperative that are distributed to the members. These three principles are all necessary to establish a cooperative (Nilsson, 1996).

1.2 Agricultural cooperatives in the Netherlands

Based on data from Statistics Netherlands (CBS) and experts from the National Cooperative Council for Agriculture and Horticulture (NCR), Bijman et. al. (2012) concludes that there are currently approximately 80 active operating agricultural cooperatives in the Netherlands. Due to consolidations the number of dairy and supply cooperatives has declined. Only in the fruits and vegetables industry the amount of cooperatives has increased. Farmers in the Netherlands are member of one to two cooperatives, making them very cooperative minded (Bijman et al., 2012).

There are many different types of cooperatives active in the Dutch agricultural sector. In this research the focus will only be on three basic forms: the supply cooperative that organises the inputs; the marketing cooperative that organises the distribution and sale of the farm produce; and the process cooperative which transforms farm products into higher value products ready for human (or animal) consumption (Birchall, 1997). In this research the supply cooperatives are referred to as 'input' and the marketing and process cooperatives as 'output'. Cooperatives can focus solely on one form, but often cooperatives organise both the marketing and the processing of farm produce in order to create added value to their members.

The input cooperatives usually focus on a range of inputs for one or various sectors. Inputs can consist of seeds, fertiliser, livestock, animal feed, greenhouse products, artificial insemination, and compost. Most of the output cooperatives are specialised and therefore called 'single purpose cooperatives' (Bekkum et al., 1997). They focus on one farm product or several relevant products, such as only dairy, potatoes, or vegetables. In particular cooperatives in the fruit and vegetables industry also fulfil the role as broker and have direct sales contact with large customers. These customers ask for a year round supply of various fresh products. Therefore these cooperatives have to diversify and offer a range of products.

Dutch cooperatives have an international focus. Products are sold in various countries and some cooperatives generate a substantial part of their turnover from production units in other countries. There are even Dutch cooperatives that have members in other countries.

Cooperatives are owned and controlled by their members. The internal cooperative governance usually consists of a general assembly which elects a board of directors that has to approve on the financial accounts and major (investment) decisions. Most cooperatives also have employed one or multiple managers who run the daily business activities of the cooperative. A board of supervisors is appointed in most cooperatives to control and advise the board of directors. During the last years many cooperatives have changed the way in which the cooperative is governed, resulting in different governance models (Bijman et al., 2012). Many cooperatives have separated the member issues and the business activities in an association and a cooperative firm. In this form, the cooperative association becomes a holding company that owns all shares of the cooperative firm. In some cases the cooperative firm consists of various sub-firms with which members interact or do not interact.

Another major change in the internal governance of Dutch cooperatives is the introduction of a member council. This council consists of a small number of members of the cooperative. Members are often organised in geographical districts or product groups. The chairman of the district or product group, who is elected by the members, becomes a member of the council (Bijman et al., 2012).

1.3 Structure of the report

This research report is structured in 9 chapters. After the introduction it starts with explaining the research topic, including problem statement, objective and research questions. Chapter 3, 4 and 5 explain the theoretical phase of this research. Chapter 3 provides a general description of the concept of member commitment, chapter 4 explains the factors that can influence member commitment and chapter 5 gives an overview of the measures that can increase member commitment. It continues with chapter 6 describing the methodology used in the research. In chapter 7 the empirical results and analysis are presented. Finally, chapter 8 provides conclusions and recommendations and chapters 9 ends with the discussion.

2 Problem analyses

This chapter starts with explaining the research problem at hand. Subchapter 2.2 describes the research objective. Subchapter 2.3 provides the research issue by presenting the main and sub research questions.

2.1 Problem statement

When agricultural cooperatives were first established, they were small in scale and simple in structure. Today, agricultural cooperatives in Europe are facing major organisational and financial challenges due to a more industrialised agriculture, globalisation and liberalisation of markets, and higher quality and food safety regulations (Fulton, 1999). Cooperatives try to react to these changes by merging with other organisations, finding other ways of raising capital and by developing new organisational forms. An important factor cooperatives face in undergoing these changes is member commitment. Committed members are important to a cooperative because it measures the level to which a cooperative is able to compete with an IOF (Fulton, 1999) or differentiate itself from an IOF (Fulton & Giannakas, 2001). Also the significance of member commitment has changed as cooperatives grew into international operating organisations. The distance to the members has increased as members show larger differences in geographical backgrounds and business activities. In combination with the individualisation of the society, committed members are no longer self-evident.

Bijman & Ruben (2005) describe decreasing commitment as “a result of a perceived lack of connection between member’s efforts and cooperative success, combined with the inability of the cooperative to differentiate itself from other organizations or business entities” (Bijman & Ruben, 2005). The decreasing member commitment has even been cited as a reason for poor economic performance of a number of cooperatives (Fulton & Gibbings, 2000). According to Kroft & Bijman (2007) a member of a cooperative is committed when he feels himself united with the cooperative and identifies himself with the cooperative. A committed member accepts and supports the cooperative’s strategy, is prepared to deliver extra efforts for the cooperative, is prepared to participate in the decision-making of the cooperative, has a desire to remain a member of the cooperative and accepts certain decisions that will be unprofitable on the short term for the member but are in the advantage of the cooperative on the long term (Kroft & Bijman, 2007). A high level of member commitment is important for the economic performance of the cooperative and its members (Fulton, 1999). Members show their satisfaction with the cooperative in their level of commitment, because the main task of a cooperative is to serve its members in their needs and expectations. Traditional member commitment is breaking down and cooperatives need to find ways to either strengthen member commitment or develop other features to distinguish members from non-members (Fulton, 1999).

Declining member commitment is a concern expressed by many cooperatives. For the management of a cooperative, which is responsible for the performance of the cooperative, it is important to understand the factors that influence member commitment. Besides understanding these factors it is also useful to understand what kind of measures the management of a cooperative can use to

increase member commitment in their organisation. Research on the factors that influence member commitment within cooperatives has been conducted (although not very extensive). Very little research has however been performed on measures that can strengthen the commitment of members of a cooperative.

For cooperatives it is important to develop policies to remain or increase member committed. In order to do so, knowledge is needed on what commitment is, through what factors it is influenced and which measures can be used to strengthen it. This research tries to provide insights in the factors and measures that may strengthen member commitment in agricultural cooperatives. It will try to do so by exploring different theoretical concepts related to member commitment and by empirical research on measures that agricultural cooperatives use today in order to strengthen member commitment. On the basis of the research results, this report will provide conclusions on the measured used by Dutch agricultural cooperatives and recommendations on how the management of cooperatives can increase the commitment level of their members.

2.2 Research objective

Subchapter 2.1 explained the problem that results in the motive that led to this research. The related research objective therefore is:

“(1) To contribute to the identification of measures that can strengthen member commitment in agricultural cooperatives and (2) to advise the management of agricultural cooperatives on measures that can strengthen the commitment of their members”

Commitment from members to their cooperative seems to be no longer self-evident. This study tries to indicate the measures available that can lead to higher member commitment.

2.3 Research issue

Based on the research objective a main research question is formed. To answer these main questions, 7 specific research questions are designed.

Main research question:

“Which measures derived from literature can be identified that can strengthen member commitment in agricultural cooperatives and which of them are currently used in Dutch agricultural cooperatives in order to strengthen or maintain member commitment?”

Specific research questions:

1. What is member commitment and why is it important for agricultural cooperatives?
2. Which factors can influence member commitment?
3. Which measures that can strengthen member commitment can be identified from literature?
4. Which measures that can strengthen member commitment are used by Dutch agricultural cooperatives?

5. Which differences in measures used can be shown by comparing the results of different types of cooperatives with each other?
6. What differences can be show by comparing measures mentioned in literature with the measures used in Dutch agricultural cooperatives?
7. What recommendations can be given to the management of cooperatives to strengthen member commitment?

3 Member commitment

This chapter explains what commitment is and more specific what commitment of members in cooperatives is. The chapter starts by explaining the definition of commitment. Subchapter 3.2 clarifies in what fields of literature the concept of commitment can be found. Subchapter 3.3 provides an overview of the different forms of commitment. Subchapter 3.4 explains the reasons why committed members are important for a cooperative and finally subchapter 3.5 gives an overview of recent developments in cooperatives with respect to member commitment and explains the reasons why member commitment in many cooperatives is declining. The chapter ends with a conclusion.

3.1 What is member commitment

Recent literature provides several definitions of member commitment. Doucette (1997) defines commitment as “the enduring desire to maintain in a valuable exchange relationship with long lasting loyalty and forsaking of alternatives”. Fulton (1999) describes member commitment as “a sort of glue that allows membership and business volume to be maintained even as trade becomes more fluid and barriers to reorganisation are broken down”. Fulton (1999) furthermore states that member commitment is created when “the cooperative finds a set of characteristics that appeals to the members but not to the non-members” (Fulton, 1999). Also in the marketing relationships literature different explanations of the concept of commitment exist. Garbarino & Johnson (1999) define commitment as “an enduring desire to maintain a valued relationship”. Morgan & Hunt (1994) view it as “an exchange partner believing that an on-going relationship with another is so important as to warrant maximum efforts at maintaining it”.

Kroft & Bijman (2007) explain that a member of a cooperative is committed when he feels himself united with the cooperative and identifies himself with the cooperative, often referred to as the cooperative ideology. A committed member accepts and supports the cooperative’s strategy, is prepared to deliver extra efforts for the cooperative, is prepared to participate in the decision-making of the cooperative, has a desire to remain a member of the cooperative and accepts certain decisions that will be unprofitable on the short term for the member but are at the advantage of the cooperative on the long term (Kroft & Bijman, 2007).

These definitions are not identical due to the subjective nature of the concept. They however all have some parts in common, which makes it possible to explain of what aspects member commitment consists. First of all there is the importance of a relationship and a certain desire and willingness to remain in this relationship. Second, there is some sacrifice behaviour accepted in continuing the relationship. Third, there is the expectation and belief of continuity (Skarmeas et al., 2002).

Based on a review of the majority of existing definitions, Meyer & Herscovitch (2002) suggest that commitment can be defined as “a force that binds an individual to a course of action of relevance to one or more targets”. This force or mind-set can take different forms, which are desire, perceived costs and obligation, usually referred to as affective, continuance and normative commitment

(Meyer & Herscovitch, 2002). More on these different forms of commitment is explained in section 3.3.

The level of commitment manifests itself by a member in the form of behaviour and attitude. The way members feel or think (attitude) about the cooperative is important to understand the way in which they respond to a situation or stimulus (behaviour). Certain measures can result directly in behaviour that leads to a higher level of member commitment. Other measures can result in a different attitude of the member towards the cooperative, which can indirectly result in behaviour that leads to higher commitment. Hakelius (1999) suggests that the lowest possible level of commitment is shown by a farmer who decides to end his membership of the cooperative and the highest level of commitment is shown by a farmer who is a member, trades only with the cooperative, attends all annual meetings, and is an elected representative (Hakelius, 1999).

3.2 Where can commitment be found

A scarce amount of literature is available on the concept of commitment shown by members of cooperatives. The concept of commitment can however also be found in other fields of literature. In order to find relevant information on factors and measures that can influence member commitment in cooperatives, this research also looks at these other fields of literature describing commitment.

The first relevant field where the concept of commitment can be found is organisational commitment theory. This field of literature discusses the relationship an employee has with the organisation he or she is working for. It tries to explain the bond or linking between an employee and an organisation and the way in which this employee identifies himself with and is involved in the organisation (Matthieu & Zajac, 1990). Commitment is seen here as an attitude or psychological state (Solinger et al., 2008). Organisational behaviour theory provides insights on the reasons why employees become committed to their organisation. Although the concept of member commitment in cooperatives is not exactly the same as employee commitment towards an organisation, both have in common that there is commitment with respect to a relationship between an individual and an organisation. Findings in the field of organisational commitment theory can therefore be useful in understanding the factors and measures that influence member commitment in cooperatives.

The second relevant field where the concept of commitment can be found is in the relationship between a company and its customers. Here commitment is usually referred to as customer loyalty (Ball et al., 2004). Loyalty is often divided between attitudinal loyalty and behavioural loyalty. Attitudinal loyalty is defined as the desire to continue the relationship and behavioural loyalty is defined as repeated transactions (Ball et al., 2004). The way in which consumers become committed to a specific product or company has been widely discussed in literature. Although the relationship company-customer and cooperative-farmer is not exactly the same, it can provide valuable insights. This field of literature is in particular relevant for this research when the focus is on establishing, developing and especially on maintaining a relationship with a customer. Although loyalty is often used as synonym for commitment, some claim that it is not the same. In this research however no specific difference is made between commitment and loyalty, since these two concepts are that close related to one another.

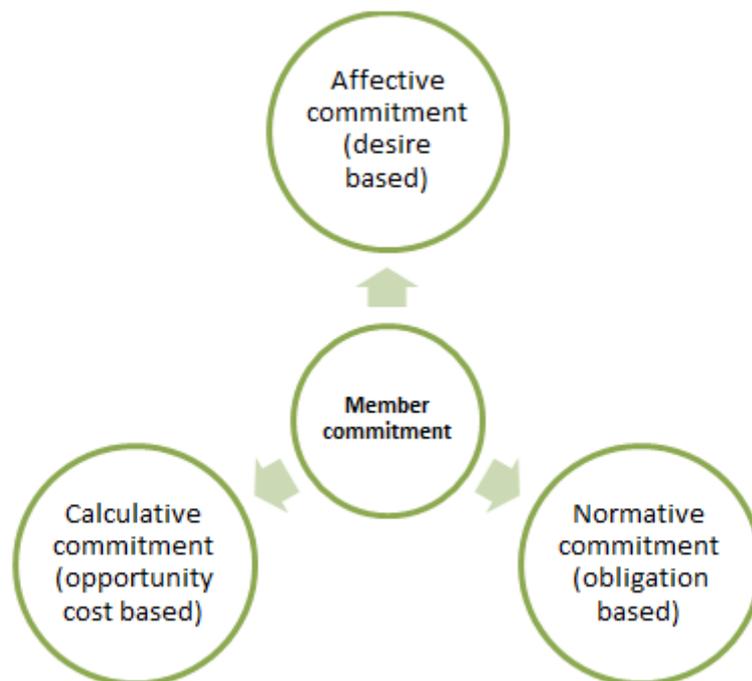
The third relevant field where the concept of commitment can be found is in the relationship between exchange partners in a business network, usually referred to as relationship management or buyer-seller relationships. Here commitment is seen as an important ingredient for long-term relationships between business partners (Morgan & Hunt, 1994). This field is of relevance for this research because within cooperatives there is also a business and transaction relationship between exchange partners.

The fourth relevant field where the concept of commitment can be found is that of professional associations. Member commitment is not only important for cooperatives, but also for sports clubs, student societies and any other form of organisation where membership is voluntary. However, it should be stressed that there is a fundamental difference for being a member of a cooperative and for being a member of for instance a soccer club. A farmer becomes a member of a cooperative in particular for economic reasons, while someone becomes a member of a soccer club for completely different reasons. Therefore the focus will be mainly on large-scale professional associations.

3.3 Forms of member commitment

As described in the previous sub-chapter, the concept of commitment has received attention in different fields of literature. The concept of commitment is usually divided into three different components. Most common is the division made by Meyer & Allen (1991). They describe three components of commitment (see Figure 1). The first component is *affective commitment*, which refers to the emotional desire to remain within an organisation. This type of commitment results in members who would like to remain a member because they believe in the organisation and have a high desire to contribute to the goals of the organisation. They have the feeling that these goals are similar to their own goals. The second component is *normative commitment*, which refers to the perception of being obliged to remain within the organisation. These members feel it as their duty to remain a member and are willing to be involved. The third component is *continuance* or *calculative commitment*, which refers to an individual's awareness of the costs associated with abandoning the organisation. These members show commitment based on the greater profits associated with their membership. A member of a cooperative can have varying combinations of all three mind-sets at the same time.

Fig. 1. Forms of commitment



Sometimes a fourth form of commitment is added, named imperative commitment (e.g. Sharma & Irving, 2005; Jiménez et al., 2010). This form of commitment is based on the perception that being a member of a cooperative is the only option, there is a high dependency. A member has no choice other than to be a member of the cooperative.

Rokholt (1999) makes a different division and talks about loyalty instead of commitment. He makes a distinction between four bases for loyalty, namely power based, habitually based, tradition based, and solidarity based. Power based loyalty refers to the member being economically or socially dependent on the organisation and the member is loyal because he fears the consequences or sanctions of not being loyal. Habitual based loyalty refers to those members who are a member and are loyal out of common habit. They do not have a clear reason for being a member. These kinds of members are usually not very active and have little interest in the cooperative strategy and future, but remain loyal towards the cooperative. Tradition based loyalty relates to past experience and ideological considerations as being most important for being loyal towards the cooperative. These members are loyal out of social and cultural motives and identify themselves with the cooperative. Solidarity based loyalty is shown by members who want the cooperative to exist in the future and are willing to sacrifice and participate at the benefit of the cooperative (Rokholt, 1999).

3.4 Advantage and importance of member commitment

Member commitment is an important ingredient for the formation and existence of cooperatives (Fulton, 1999). The reason why members of cooperatives have to be committed lies in the characteristics of the cooperative business form, such as voluntary membership, democratic decision-making and the members as source of equity capital (Kroft & Bijman, 2007). The importance of committed members is summed up by Bijman & Ruben (2005):

- High commitment will result in higher motivation for members to investment in the cooperative, since members provide equity capital.
- Members will be more willing to exchange product information with the cooperative, stimulating optimal processing and marketing of the cooperatives' products.
- Low committed members will more easily change to another supplier or buyer, negatively influencing the long term sustainability of the cooperative.
- Low committed members will be less involved in decision making and control on the functioning of the cooperative, resulting in bad decisions leading to a negative functioning of the cooperative.
- High commitment will result in the creation and protection of standards and values.
- Low commitment can lead to opportunistic behaviour by individual members (free-riders).

Furthermore, committed members will not leave the cooperative during difficult times, which make future investments more secure and stable (Trechter et al., 2002). Committed members are more willing to elect a strong board of directors and will be more demanding. Demanding members are good for a cooperative since they will continually trigger the cooperative to improve (Trechter et al., 2002). Committed members form a solid ground for planning decisions and once a decision has been made, committed members will be quicker prepared to implement the decisions, reducing implementation and control costs (Kroft & Bijman, 2007). Finally, committed members are better able to understand necessary structural changes in order to survive in the continuous changing market in which cooperatives are active (Trechter et al., 2002).

The points described above clearly shows that member commitment is of vital importance to cooperatives. However, it should also be noted that there are negative issues related to member commitment. Fulton (1999) shows that there are costs related to member commitment. Member commitment can mask inefficiencies in the cooperative and cooperatives can 'exploit' their members, since the management knows that the members are committed and will not leave the organisation. Managers can also become less pro-active in lowering costs and finding ways of increasing revenues (Fulton, 1999). Nevertheless, the disadvantages do clearly not outweigh the advantages of committed members and the disadvantages can be controlled. It is therefore assumed that cooperatives should try to improve the commitment level of their members. This is also the general line of thought in literature on member commitment within cooperatives.

3.5 Recent developments in member commitment

The previous subchapter explained why member commitment is important for the survival of cooperatives. However, various developments during the last decades have resulted in member commitment being no longer self-evident. Agriculture has become more industrialised and globalised. Many small agricultural cooperatives have vanished into large scale cooperatives due to mergers and acquisitions. These large scale cooperatives with thousands of members have expanded their activity portfolio and developed new organisational forms. They even relaxed the basic foundation on which a cooperative is build: collective equity, control and benefit allocation to the members (Kalogeras et al., 2009). These developments have influence on the commitment level of members. Evidence from literature shows that this influence has resulted in a downward trend of

member commitment in cooperatives during the last decades. This trend of decreasing member commitment can also be seen in many other organisations where membership is voluntary, such as societies (De Hart, 2005). Literature addresses the following developments as reasons for the decrease in member commitment in cooperatives:

1. Internationalising competition

Cooperatives are facing higher competition which is internationalising. Markets have furthermore become more competitive due to agricultural policy changes (Nilsson & Ollila, 2009). The degree to which a cooperative can differentiate itself from a IOF has influence on member commitment (Bijman, 2005). Cooperatives need to show their members that they have more to offer than an IOF (Fulton, 1999). If the members do not see the advantages of the cooperatives, they will quicker switch to an IOF.

2. Individualisation

Another important change is the individualisation of individuals within the society. In particular younger people tend to position their own person and development as more important than the group. This development can also be observed within the cooperatives where the new generation of farmers tend to look different against the cooperative (Hakelius, 1999). They see commitment towards the cooperative more as a method to generate personal economic advantage. Older generations see commitment as a way of showing solidarity with the rest and they place economic advantage on a second place (Hakelius, 1999). This means that a negative financial performance of the cooperative leads to a higher decrease of commitment by the young generation (Hakelius, 1999; Fulton, 1999).

3. Heterogeneity

Cooperatives were traditionally formed around a relatively homogeneous group of farmers that were operating in the same area and had the same beliefs and visions (often referred to as cooperative ideology). This created a strong feeling of ownership, control and commitment (Fulton et al., 2000). During recent years cooperatives have become more global oriented and more diverse. This has resulted in a larger and more diverse member base. These members originate from various regions or countries, have more diverse and specialised firms and have different backgrounds, beliefs, motives, visions, etc. The increasing heterogeneity in the member base leads to a breaking down of the cooperative ideology which has a negative influence on member commitment (Fulton, 1999; Bijman, 2005).

4. Growth

The growth of cooperatives has implications for its members. The cooperatives react to the changing market conditions by adapting their strategies. Members can find that these market adaptations do not operate in their interest. This leads to a decrease in involvement, solidarity and commitment (Nilsson & Ollila, 2009). When the strategies become more complex, the members may not be able and prepared to control the business operations (Nilsson & Ollila, 2009). The changes in strategies also imply that cooperatives are focusing more on the market and consumer instead of the product. Because the cooperatives become more customer-oriented, they may also have to invest in product innovations that cannot favor all members equally (Bijman & Ruben, 2005). The members and their products are no longer at the core of the cooperative, which can decrease the commitment of

members. Because the business activities have become so complex, most members may no longer understand them and have little knowledge about them and on what is happening within the cooperative (Österberg & Nilsson, 2009). The increasing size of the member base results in a single voice not being heard anymore and the anonymity in the member base can create ignorance (Österberg & Nilsson, 2009). Together with the increasing heterogeneity of the members and conflicting interests, the management may receive few, unclear and conflicting signals from the members (Österberg & Nilsson, 2009). The larger the scale of an organisation, the lower the participation of members (Birchall & Simons, 2004).

The developments presented above explain to a certain extent why member commitment is decreasing in cooperatives. It is important to understand why commitment is decreasing in order to understand how it can be improved. Furthermore, some developments are difficult, if not impossible, to change. For instance, heterogeneity within a cooperative could be reduced by installing certain measures. However, changing the social trend of individualisation might be outside the reach of the cooperative.

3.6 Conclusion

Literature addresses various definitions of member commitment. What most of these definitions have in common is the importance of a relationship and a certain desire and willingness to remain in this relationship, a certain acceptance to sacrifice in order to continue the relationship, and a certain expectation and belief of continuity. Literature on member commitment in cooperatives is rather scarce. The concept of commitment or loyalty can however also be found in four other main fields of literature, which are respectively organisational commitment, customer commitment, marketing relationship commitment and member commitment in professional organisations. Although member commitment is for several reasons of vital importance to cooperatives, it is no longer self-evident anymore in cooperatives. Decreasing levels of member commitment is amongst others caused by the internationalising competition, individualisation of the society, increasing heterogeneity of the member base and continuing growth of most cooperatives.

4 Factors influencing member commitment

Member commitment in cooperatives is influenced by various factors. This chapter provides an overview of these factors and explains how each factor can influence commitment. Subchapter 4.1 starts by explaining the background of the factors described in this chapter. Subchapter 4.2 up to 4.5 each explain one of the four main factors described in this chapter, which are economic, psychological, social, and organisational. Subchapter 4.6 provides a short conclusion on the whole chapter. An overview of all factors described can be found at the end of this chapter (see Figure 2).

4.1 Identification of factors

This chapter makes a division between four main factors that can influence member commitment. The four main factors are social, economic, psychological and organisational. Every main factor consists of several sub-factors that together explain how a specific main factor can have a positive or negative influence on the commitment level of members in a cooperative. The factors show the reasons or motives why a member of a cooperative would like to stay and actively participate in the cooperative. The related measures indicate how the management of a cooperative can influence their members to become committed towards the organisation.

Some factors can be influenced by the management on the short-term, others on the long-term and some are even impossible to influence. In this research the focus is in particular on factors that can be influenced on the short and long term. It is important to keep in mind that this chapter does not focus on factors that motivate farmers to become a member of a cooperative. Although some factors might positively stimulate both the motive for joining a cooperative and the motive for being committed, the goal of this chapter is to look only at those factors that influence the commitment level of members. In other words, once a farmer is a member of a cooperative, what drives him to be a committed member?

The main factors and its sub-factors are derived from existing literature on member commitment in cooperatives. The concept of commitment can also be found in several other fields of literature. The other fields used in this chapter are organisational commitment, customer commitment, marketing relationship commitment, and member commitment in professional organisations. A more detailed description of these fields is provided in chapter 3.2.

Literature on factors that influence member commitment in cooperatives often makes a division between economic and social factors (e.g. Fulton, 1999). Kroft (2006) adds a third factor which she names organisational factors. Based on a review of the literature, a fourth main factor is added, named psychological factors. The next sections explain how each factor and its sub-factors can influence member commitment. It shows the mechanisms that can influence member commitment. Once the effect of these mechanisms is clear, it will also be easier to understand and identify the related measures that can increase commitment among members.

4.2 Economic factors

Economic factors are often mentioned as most important in creating member commitment in cooperatives. Especially economic benefits of the individual farm enterprise are identified as having the most influence on commitment (Fulton & Adamowicz, 1993; Gray & Kraenzle, 1998; Fulton, 1999). However, this importance differs per age group. In particular for younger farmers economic benefits are most important (Hakelius, 1999). Members become committed when they have the feeling that they will miss valuable financial rewards when they abandon the cooperative (Jiménez et al., 2010) or are not active in the cooperative. Literature shows several economic factors that influence member commitment in cooperatives. Four sub-factors have been identified to have influence on member commitment, which are *financial performance*, *investments*, *financial dependency* and *direct services*. These sub-factors are in particular of influence on the calculative commitment of members.

4.2.1 Financial performance

Member commitment is influenced by the financial benefits that farmers experience as result of their membership at the cooperative. Good financial results in the farm enterprise is expected to result in higher commitment (Fulton, 1999; Fulton & Giannakas, 2001). Fulton (1999) compares member commitment in supply cooperatives with a niche product. He states that cooperatives with high member commitment are able to offer this commitment as a highly desired niche product to their members. These members are even prepared to pay more if needed for this niche product. Cooperatives that do not have this niche product (or member commitment) do business with farmers that only buy products because the price is good and if the price is no longer good, they switch to another supplier (Fulton, 1999).

Farmers that are a member of a cooperative make comparisons between the financial performance of their farm with that of other farms. They also compare between different cooperatives and investor owned firms. When the financial performance of their farm is consistently lower compared to similar farms that are not a member of the cooperative, the member can become less committed (Österberg & Nilsson, 2009). Thus, the commitment level depends on the subjective assessment of the financial results and when alternatives become more interesting, this will have a negative influence on the commitment level of the member (Douchette, 1997). Also the relationship marketing literature shows that firms will be more committed to establishing, developing and maintaining relationships with partners that deliver superior financial benefits (Morgan & Hunt, 1994). There is also a large amount of evidence from literature on customer loyalty about the importance of price and satisfaction with the product or service in creating commitment by customers (Ballester & Aléman, 2001).

Members find the profit the cooperative is making less important than the profit they make with their own farm (Van Dijk & Klep, 2005). A high return on assets is expected to have a negative relationship with commitment, because members would prefer to receive the returns on their own farm (Trechter et al., 2002). Since members view dividends on their invested capital as a return for being committed to the cooperative (Fulton & Adamowicz, 1993), a low proportion of dividends paid out by the cooperative has a negative influence on member commitment (Trechter et al., 2002). Furthermore, if the cooperative has a high debt to equity ratio, this means that the cooperative is

less solvent. Highly leveraged cooperatives are expected to have lower committed members, because there is more uncertainty about the survival of the cooperative and the security of investments (Trechter et al., 2002). Uncertainty over the future performance of the cooperative can negatively affect commitment (Ball et al., 2004). When the economic value of a membership is based on the net present value, also the period the cooperative holds equity can influence member commitment. The longer this period, the lower the net present value of cooperative investments and so the benefits related to the membership (Trechter et al., 2002).

4.2.2 Investments

Cooperatives give the farmer the opportunity to participate individually in investments and the possible profits from these investments (Fulton, 1999). If members get involved in cooperative investments they can become more committed, because part of their income is linked to the financial performance of the cooperative and its investments (Trechter et al., 2002). They can also become more concerned and dependent about decisions related to investments, which can result in more participation. Nilsson & Ollila (2009) suggest furthermore that an important factor in making members willing to invest is their level of involvement in the whole decision-making process surrounding the investments. Providing equity to the cooperative can also give the members a higher feeling of ownership of the cooperative, which in its turn can increase commitment.

Not all farmers would however like to become involved in large investments, due to for instance the associated risks, ability to access capital or discount rates (Fulton, 1999). Cooperatives are by nature risk-averse due to the fact that farmers see their cooperative as a defence against problematic markets (Nilsson & Ollila, 2009). Other reasons why members are not willing to invest are efficiency problems related to the non-transferability of ownership which have been described by Cook (1995). The first one is the free-rider problem, which occurs when another benefits from the investment instead of the investor himself. Bijman & Ruben (2005) gives the example of farmers profiting from marketing activities by the cooperative without having to pay for them, or new members who profit directly from past investments while they do not have to pay any entrance fee. The second problem Cook (1995) describes is the horizon problem, which arises when investments are made that only create profits on the long-term. This is mainly a problem for older members who expect to retire soon. The third problem is the portfolio problem which refers to the dilemma of individual members who are unable to adjust their share in an investment to their personal risk preference (Cook, 1995). In order to react to these efficiency problems new organisational forms are introduced. Nilsson (2001) describes two possible organisational structures, which are the new generation cooperative and the co-maker cooperative. In the new generation model the whole cooperative is owned by the members in the form of equity shares that are tradable at market prices. In the co-maker model the cooperative is owned jointly by the cooperative society, by the members via tradable shares and possibly also by outside financiers (Nilsson, 2001). Fulton & Giannakas (2001) suggest that member commitment in these cooperatives is higher than in traditional cooperatives. They state that this can be explained by greater homogeneity, better defined property rights, and governance structures that are more transparent. These new cooperative forms offer members direct participation in the returns generated by value-added enterprises and they provide the opportunity for farmers to invest in downstream enterprises further in the supply chain (Fulton, 1999).

In most cooperatives only part of the investments is financed by the farmers. The other part is financed by unallocated equity and this amount differs per cooperative. Nilsson & Ollila (2009) argue that the members of a cooperative that is largely financed by unallocated equity have little incentive to invest in the cooperative compared to cooperatives that have more individualised capital. Furthermore, Bijman & Ruben (2005) suggest based on theoretical and empirical literature that incentives for members to invest in the cooperative would be higher if there are better defined property rights. In a research by Cook & Iliopoulos (2000) on American cooperatives it was found that members of those cooperatives that have a closed membership policy, use marketing agreements, and have transferable and appreciable delivery rights, are more willing to invest compared to members of cooperatives where membership is open, are no marketing agreements and have non-transferable and non-appreciable shares. Furthermore a high degree of trust between the involved parties is also important for cooperative investments (Hakelius, 1999).

4.2.3 Financial dependency

Farmers can make themselves dependent on the cooperative. This is in particular the case with output cooperatives. Here the financial performance of the cooperative has direct influence on the income of the members. The income of a member therefore depends for a part or in total on the functioning of the cooperative. This is for instance the case when a cattle farmer delivers 100 per cent of its milk to his milk process cooperative. Members are often obliged to supply or purchase a certain amount of goods or have financial obligations. Trechter et al. (2002) shows that the larger these obligations, the more committed the members are. Furthermore, members usually lose their invested equity or sometimes have to pay fines when they abandon the cooperative (Van Dijk & Klep, 2005). In other cases the cooperative forms the only possibility for the farmer to sell his product for a decent price. Uncertainty is also related to dependency. When the farmer is highly uncertain about the financial consequences of abandoning the cooperative, he will probably think twice before leaving the cooperative.

Relationship marketing shows that high switching costs or termination costs (sunk costs) can lead to not changing to another party (Morgan & Hunt, 1994). These costs result in a relationship being viewed as important and so this will generate commitment to the relationship (Morgan & Hunt, 1994). Also the organisational commitment literature shows that in particular continuance commitment results from the associated costs from leaving the organisation (Meyer et al., 2002). Commitment in relationships can also be created due to transaction specific investments. These are non-transferable tailor made investments that are difficult or impossible to use when switching to another exchange partner. This creates a so called locked-in situation or exit barrier. The higher the transaction specific investments, the higher the commitment to the relationship (Skarmeas et al., 2002).

4.2.4 Direct services

Most cooperatives provide direct services to the members that can result in higher profits for the individual farm enterprise. One such example is the rental of harvest machinery from the cooperative against reasonable and fair prices. Another direct service can be market or technical information on farming practices. These services can be highly appreciated by the members, which can result in

higher commitment. Furthermore, when leaving the cooperative, the farmer can no longer use these services against reasonable and fair prices, which can increase the calculative commitment. Morgan & Hunt (1994) found that commitment in relationships can be influenced by offering valuable information such as expectations, market intelligence and evaluations of the partner's performance. Commitment towards the cooperative can increase when these services are not available for non-members or are expensive outside the cooperative. Also the quantity and quality of these services is important. Gruen et al. (2000) explain that membership organisations that deliver a high quantity and quality of services create more opportunities to develop affective commitment by their members.

4.3 Psychological factors

Besides economic factors there are also so called 'soft factors' that play an important role in influencing member commitment. It is member commitment that makes a farmer decide to continue doing business with the cooperative instead of an IOF, even when the financial conditions at the IOF are better during a certain period (Fulton, 1999). So even when the financial results are bad, there are other factors that result in high commitment from members. The psychological sub-factors that have been identified from the literature are *cooperative ideology, trust, and personal characteristics and background*.

4.3.1 Cooperative ideology

From a historical perspective cooperative ideology is probably the feature that most often results in member commitment (Fulton, 1999). Several studies however indicate that cooperative ideology has been replaced by financial performance as most important factor that stimulates member commitment (Hakelius, 1999). Others even suggest that cooperative ideology is breaking down in many cooperatives. Cooperative ideology is defined as "the preference to do business with the cooperative from which the members are owner and have decision rights" (Fulton, 1999).

Rokholt (1999) suggests that identification and ideology are the core factors which explain the degree of member commitment. He states that "the more the member feel as a part of a socially and economically integrated system, and the more the member perceived the organisation being important to his future situation, the more committed he is" (Rokholt, 1999). Members who identify themselves with the cooperative will defend the cooperative against outside attack or criticism and they will take part in the decision-making. When members do not feel this identification, they will view the cooperative more as a service and when this service is not satisfying, they will leave the cooperative (Jiménez et al., 2010). For some members of a cooperative, the membership can be even self-evident to them. Nilsson & Hendrikse (2011) describes this as a "a driving force that is almost instinctive and organic". He argues that the membership gives "satisfaction in itself and is therefore self-fulfilling" (Nilsson & Hendrikse, 2011).

People will always have the need for a certain identity. People have the desire to belong and being associated with a group that shares the same values. There is however more and more competition in providing an identity for an individual and the cooperatives have to compete with others (Rokholt,

1999). Identification can be described by the degree of attachment a member has towards the cooperative (Gray & Graenzle, 1998).

The cooperative ideology is based on norms and values. These values can be found in the minds of the members and not in the organisation (Nilsson, 1996). The values can however be translated into cooperative principles that are entered into statutes, policies, and rules (Nilsson, 1996). The ideology in cooperative organisations is usually one of a kind and this can be expressed as belonging to a certain social class, a specific field of interest, or in obtaining a common goal. Nilsson (1996) suggests that if all members have the same values, the sense of unity will increase, the level of heterogeneity will be lower and solidarity with each other will be higher. It can also be assumed that shared values will increase trust among members. The shared ideology will thus increase the commitment of members. Borgen (2001) furthermore found that the more a farmer identifies himself with the cooperative, the more trust he has in the management of the cooperative. Further down this chapter it will be explained that trust is also an important factor in generating member commitment.

The strategy of a cooperative only works when there is agreement with the members. This agreement can only be created when members appreciate the message the cooperative promotes. Only then, the members would like to belong to the cooperative and identify themselves with the identity of the cooperative (Galle, 2010). People would like to belong to the cooperative because it gives them a certain status. Respect and status are in particular created when members are involved in the creation of the cooperative strategy. The members create the cooperative identity themselves, which makes them proud (Galle, 2010). Cooperatives are self-governing organisations and therefore have a strong associational aspect (Jones et al., 2009). Some of the rewards of being a member of a cooperative have an individual basis, for example the use of the cooperative to promote positive self-evaluation or get social status from being a cooperative member. Jones et al. (2009) argues that there might also be members that are not motivated because of personal gain. These members derive personal gain by a feeling of belonging to the group and resulting group solidarity. Members are motivated because they share the same values across the community and feel a perceived duty of participation which are both associated with the need for social identity (Jones et al., 2009). Gray & Graenzle (1998) also suggest that participation can be increased by promoting the cooperative principles and the identification with the organisation.

Also in the literature on relationship marketing evidence is found that ideology is an important factor with which organisations can create committed customers. Garbarino & Johnssen (1999) for example show that when a consumer believes his or her personality is defined by being a member of an organisation, this has a positive influence on their commitment. People would like to belong to groups that share their own norms and values. They would like to identify themselves with these groups. Morgan & Hunt (1994) found that exchange partners who share the same values are more committed towards the relationship.

Also the organisational commitment literature shows that companies can increase the commitment of their employees by appreciating and translating their values, such as treating employees fair and creating a supportive work environment (Meyer et al., 2002). Sharma & Irving (2005) adds to this that employees who identify themselves with the organisation have more faith in the organisation's goals and have the desire to contribute to achieving these goals.

4.3.2 Trust

Trust is widely assumed to be important for every organisation (Watson & Papamarcos, 2002). The concept of trust can often be found in the mission statement of cooperatives (Hansen et al., 2002). In fact, trust forms the basis for all sorts of cooperation. Members in a cooperative can only work together when there is trust (Hakelius, 1999). In a research on 2000 Missouri corn and soybean farmers, James & Sykuta (2006) found that trust is even a significant factor in explaining the choice of a farmer between a cooperative and an IOF. They furthermore found that the contract between a farmer and the cooperative is more relational and that cooperatives will less quickly imply sanctions against their members compared to an IOF (James & Sykuta, 2006).

In a research by Hansen et al. (2002) on the impact of trust on the performance, satisfaction and commitment of members in two agricultural marketing cooperatives, it was found that trust among members and trust between members and the management team are important predictors of group cohesion, which they identified as a measure of commitment towards the cooperative. Furthermore, members that have experience as representative play an essential role in creating trust within the cooperative (Borgen, 2001).

In the past, cooperatives were a kind of communities where social relationships formed the basis of trust. Doing honest and fair business was important and this resulted in the joining of many new members. Trust and commitment to ethical business practices provide the basis for cooperation and are essential for people to join together and work for mutual goals. Without trust, people do not communicate and cooperation is unlikely. People must know and trust each other to work effectively. Open and honest communication contributes to building mutual understanding of a cooperative's goals and mission which, in turn, leads to higher commitment (Lasley & Baumel, 1996). Members that have trust in their cooperative will have a positive influence on their willingness to participate in the governmental process of the cooperative (James & Sykuta, 2006; Barraud-Didier et al., 2012). In sub-chapter 4.5.3 it is explained that participation in the governance process results in higher commitment.

Also expertise is an important factor in generating trust (Moorman et al., 1993). When the cooperative shows a high amount of expertise, the members will show more trust towards them. Douchette (1997) suggest that member commitment can be influenced by trust and information exchange. When there is no trust, the members will not be willing to share sensitive information. Furthermore, a high level of trust can increase the sense of shared identity. Members have the incentive to trust their cooperative because the cooperative is competent, reliable and thorough in making good decisions, but they can also trust their cooperative because the cooperative always shows that it works at the best intentions of their members (Hansen & Morrow, 2003). So if the cooperative shows its members that it is concerned about them, the members will create an attitude of trust towards the cooperative (Barraud-Didier et al., 2012).

Hansen et al. (2002) makes a division between cognitive and affective trust. They argue that cognitive trust is "objective in nature and is based on a rational and methodical process that results in a judgment that an individual, group or organisation is trustworthy". They describe affective trust as "subjective in nature because it is based on the moods, feelings or emotions that one has concerning the perceived trustworthiness of an individual, group or organisation" (Hansen et al.,

2002). They furthermore argue that farmers do not only join cooperatives in order to satisfy their economic goals, but also to satisfy their social goals. Members will try to satisfy their social goals by interacting with other members and the trust that develops between members will typically be affective. The trust that builds between members and the management team will be in particular more cognitive (Hansen et al., 2002). They found that cognitive trust in the management is stronger than affective trust.

Sheppard & Tuchinsky (1996) make a division between three sources of trust: deterrence-based trust, competence-based trust and identification-based trust. Deterrence-based trust is related to the situation where members lose too much if they cheat. Competence-based trust relates to the ability of predicting that other members will or will not cheat. Identification-based trust exists when the members fully internalize the preferences of other members and identify with them on that ground. Borgen (2001) argues that identification-based trust is the most important in cooperatives. Commitment increases and identification with the cooperative increases when members trust the cooperative (Jiménez et al., 2010). Modern cooperatives are large and complex social structures with complex strategies. They consist of a heterogeneous mix of members, varying with respect to their size, type of production, location and preferences. Within this type of social structure there are more demanding conditions for trust-making than in small and transparent social structures. This explains why identification-based trust is so important. The significance of identification-based trust is further strengthened because the relation between the cooperative and members is asymmetric with respect to access to information flows about market prices, customer behaviour, etc. Due to this asymmetry, it is crucial for the smooth working of the cooperative that the members trust the intentions, capability and benevolence of the cooperative.

Marketing literature also shows that trust is an important factor in relationships (Moorman et al., 1993; Morgan & Hunt, 1994). Morgan & Hunt (1994) define trust as the perception of “confidence in the exchange partner’s reliability and integrity”. It stresses the importance of confidence and reliability as being important in creating trust. Morgan & Hunt (1994) show that relationship marketing requires commitment and trust and the willingness of a partner to continue the relationship. Morgan & Hunt (1994) furthermore found that high quality and frequent communication between exchange partners results in greater trust.

Kwon & Suh (2004) suggest that trust is a critical factor in creating commitment among supply chain partners. In a research on supply chain partners, they found that a firm’s trust in its supply chain partner is positively related with specific asset investments and negatively related with behavioural uncertainty. It was also found that information sharing improved the level of trust. A partner’s reputation in the market has a strong positive impact on the trust-building process. They conclude that the level of trust is strongly related to the level of commitment (Kwon & Suh, 2004).

Trust plays an important role in creating customer commitment towards a brand (Ballester en Alemán, 2000). Brand trust can be created by honest information and communication about the brand, shared values and a good brand reputation (Ballester en Alemán, 2000).

4.3.3 Personal characteristics and background

A person's family history can have influence on the level of member commitment today (Trechter et al., 2002). This is most often described as normative commitment that expresses itself in a sense of obligation or duty that implies certain behaviour as result of a member's personal background or situation (Jiménez et al., 2010). A member can feel a sense of obligation due to the fact that he inherited the farm from his father who has always been a committed member of the cooperative (Jiménez et al., 2010). He views his membership as a traditional norm.

The age and the related time a member has left in farming can also influence their commitment level. Farmers that expect to retire soon may be less committed to the cooperative because they do not expect continuing benefits from the cooperative (Staatz, 1983). However, Fulton & Adamowicz (1993) suggests that older members are more committed to their cooperative because they feel a 'sense of pride in ownership' (Fulton & Adamowicz, 1993). Staatz (1983) furthermore points out that younger farmers have usually more debt and higher discount rates compared to older farmers and are therefore expected to be less committed.

A research by Hakelius (1999) shows that young and old farmers have a different view on commitment. Young farmers experience their commitment as a way of obtaining economic advantage, while older farmers give more importance to being committed as a way of showing solidarity with the other members. Hakelius (1999) argues that younger farmers are better educated and therefore have more knowledge with which they can analyse markets and economic developments. They have become less dependent on the cooperative as knowledge source, which could make them less committed. However, they can also become more demanding and involved in the way the cooperative is run, which could result in higher commitment.

Hakelius (1999) furthermore suggests that young and high educated farmers have more goals they would like to fulfil and they would like to have more control over their invested capital. Younger farmers also usually have more debt, which results in more pressure on achieving good financial results. This pressure can make farmers less positive to put money or effort into a cooperative and thus makes them less committed.

Gray & Graenzle (1999) furthermore showed that member involvement is positive related to the farm size. The larger the farm, the more involved. Members of large farm enterprises are usually more innovative and front runners in the market.

4.4 Social factors

Another field of factors that influence member commitment are social factors. These are also so-called 'soft factors'. The social factors identified from the literature are *role in community* and *networking and relationships*.

4.4.1 Role in community

Members of cooperatives that are active in and contribute to the (local) community show a higher commitment level (Fulton 1993). Involvement in the local community is something which

cooperatives use to differentiate themselves from an IOF (Fulton, 1999). In a research on Canadian cooperatives, Fulton & Kettilson (1992) found that cooperatives contribute to the social well-being and feeling of community of people living in small agricultural villages. They furthermore found that cooperatives are important in ensuring a continued social and economic existence of small communities. Based on evidence from a credit union who was involved in local initiatives aimed at creating local employment and local housing, McCarthy & Ward (2001) suggest that these actions will result in increased membership, increased use of the services, and greater desire to participate in the operations of the credit union. Also commitment from the community would increase.

Literature on brand loyalty shows that the reputation of a company influences the level of customer loyalty (Ballester & Alemán, 2000). The importance of corporate social responsibility has increased during recent years. It could be assumed that members would appreciate and identify themselves with a cooperative that does business on a social responsible way. This could increase commitment.

4.4.2 Networking and relationships

A cooperative is a social community where long-term relationships, trust, shared identity, and informal information exchange among members are present (Bijman, 2005). Members see each other as colleagues and can develop strong social ties with one another. The network character of the cooperative gives members the possibility to exchange information with each other.

Farmers try to satisfy social goals in particular through interactions with other members (Hansen et al., 2002). The cooperative provides a platform to socialise with people with the same interests, beliefs and goals. The possibility to connect with these people can increase commitment. The cooperative creates a platform where members can create long-term informal relationships with each other that have their founding in the cooperative. The membership guarantees that this relationship continues since it is built on the cooperative basis. Long-term relationships result in trust, which on its turn results in commitment.

Gruen et al. (2000) suggests that members who interact with each other develop obligations towards the group and a sense of belonging. They suggest that people would therefore like to remain in the organisation. Via a website or forum the members can interact with each other whenever they prefer on a basis of common interests. Here the cooperative can provide the latest information on its activities. Members can exchange ideas or tips which can also be useful for management implications (Gruen et al., 2000).

Commitment of one member can both positively and negatively be affected by the commitment of other members and a climate of commitment can stimulate behaviour that has positive influence on member commitment (Douchette, 1997). When one member believes that the other members are highly committed, the member will also commit itself. A member who meets often with other members may question his own behaviour. If a member meets often with non-member farmers, he might become less committed because he is influenced by the opinions of the non-members. In particular when members meet with members who they respect this possibly has a positive influence on the attitude of these members.

Marketing literature also provides evidence for the importance of building relationships. Gustafsson et al. (2005) suggests that organisations can increase affective commitment by building direct relationships with customers.

4.5 Organisational factors

Another field of factors that influence member commitment is related to the organisation. The organisational factors identified from the literature are *political power, homogeneity of members, participation in decision making, and communication*.

4.5.1 Political power

The cooperative can also function as a political interest group for its members. The united character of the cooperative gives it a strong position in negotiating and cooperating with local authorities in the advantage of their members (Rokholt, 1999). The cooperative can develop agricultural policy issues and can lobby for its members in order to influence policy makers (Fulton, 1999). Members can become more committed if they have the feeling that the cooperative defends and works at the advantage of the members against powerful governmental institutions. By being united the members can better defend their interests. In the Netherlands the interest of the farmer is in particular looked after by the Dutch Land en Tuinbouw Organisation (LTO). The cooperative can however still create commitment by their members by helping them with other bureaucratic issues, for example subsidies and permits.

4.5.2 Homogeneity of members

Increasing heterogeneity of the member base has a negative influence on member commitment (Fulton & Giannakas, 2001). The decision-making process can become more difficult, coordination between the cooperative and the members harder, and willingness to invest can decrease (Hansmann, 1996). Due to the heterogeneity the cooperative can become so complex that members do no longer understand what is going on in the cooperative. This can cause lower participation rates and members no longer being able to identify themselves with the activities of the cooperative, resulting in a decrease of commitment (Österberg & Nilsson, 2009). Members often try to influence the corporate structure and decisions at the advantage of their preferences, which can lead to conflicting preferences when the members are very heterogeneous (Kalogeras et al., 2009).

4.5.3 Participation in decision-making

The cooperative is collectively owned by the members and it is jointly controlled through a democratic decision-making process. The democratic nature of the cooperative and the voice that members have in running the organisation are likely to lead to greater member commitment (Treichler et al., 2002). The most common ways in which members can participate in the governance of the cooperative are by attending annual meetings, serving on a committee, serving on the board of directors, or (if present) serving in the member council. It is important that members are involved in the governance of the cooperative, because when they are not involved they can lose their cooperative identity and become less committed (Nilsson & Ollila, 2009). Participating in the whole

governance process costs time and money and therefore perhaps exceeds the benefits. If members are not committed towards the cooperative, they can become free-riders in the sense that they have access to the products and services of the cooperative, but do not participate in the democratic process (Hakelius, 1999).

Based on classic literature on organisational psychology, Österberg & Nilsson (2009) state that people more easily accept changes that have significant effect on them, when they were offered the possibility to influence and participate in the decision-making. Therefore, if members are allowed to participate into the decision-making they may be more committed to the cooperative and have more trust in the board of directors (Österberg & Nilsson, 2009). Members who serve or have served as a director in the board or in other positions in the cooperative also tend to be more committed than members who have not (Österberg & Nilsson, 2009; Trechter et al., 2002). Members are also more willing to commit themselves to the democratic control when the decisions are made by experienced and trustworthy fellow farmers (Österberg & Nilsson, 2009). Commitment from members who are active on the governing board has an impact on other members. Those members of the board who are acting in their own interests and not in that of the collective create lower levels of commitment among members (Jiménez et al., 2010).

An important reason for farmers to join a cooperative is the preference that they can do business with an organisation that they own and control (Fulton, 1999). If the members are not satisfied with the performance of the cooperative they therefore usually first use their voice instead of direct exit. Fulton (1999) argues that this use of voice is in fact an indicator of member commitment. But, if the voice of members results in inefficient performance of the cooperative, member commitment can decrease (Fulton, 1999). It is often difficult to organise many members with differing situations, experiences, attitudes and outlooks and convince them to voluntarily delegate power from themselves to the cooperative (Rokholt, 1999). Due to the increasing heterogeneity of members in cooperatives, the members experience a reduced feeling of control and ownership over the cooperative (Fulton et al., 2000). If a cooperative grows in size, the question remains whether it is still possible that they are governed by their members. In most large cooperatives the members are not involved in the daily decision-making process. The danger is that members can lose their connection with the management and board and therefore no longer feel a need to participate in the democratic process, which on its turn leads to lower commitment (Birchall & Simons, 2004). Lang & Fulton (2004) suggest that decreasing interest of members to participate in the decision-making process due to a feeling that involvement has little impact on the cooperative can be seen as an indicator of decreasing member commitment. Members of cooperatives often feel unfamiliar with what their cooperative is doing or they have the feeling that they are ignored (Bhuyan, 2007). Members can no longer understand how their cooperative is managed and why certain decisions are made (Bhuyan, 2007).

4.5.4 Communication

“Communication is the relational process of creating and interpreting messages that elicit a response” (Griffin, 2012). Communication reflects a transmission aspect of the communication process, the sender-message-channel-receiver model (Windahl & Signitzer, 2009). Another main aspect of communication is the creation of mutual understanding by sharing information (Windahl &

Signitzer, 2009). Messages and its content are central in communication. Messages are transmitted in the communication process. The messages are transmitted via a medium or channel. A medium is “an intermediate agency that enables communication to take place through the use of one or more channels” (Windahl & Signitzer, 2009).

A cooperative can use different mediums or communication techniques to communicate with its members. The purpose of communicating can be focused on informing the members, influencing the attitude of members or creating intended behaviour by members. The communication technique used can have influence on the level of commitment. Also the message and its content can influence the commitment level of the receiver. The goal of this research is to understand what measures a cooperative can take to increase member commitment. The focus will therefore be in particular on the communication techniques available and the related advantages and disadvantages they have in creating commitment.

The way in which a cooperative communicates with its members, the members with the cooperative and the members with each other has influence on the commitment level of members. The communication strategy is for managers an important factor in creating commitment among their members. The strategy can be rapidly adjusted and implemented and it can be tailor made on specific groups in the member base (Trechter et al., 2002). Effective communication is of significant importance for the success of any business. It should be an integral part of the strategic planning process for any organisation (Hargie et al., 2002). Good communication leads (besides many other positive aspects) to higher commitment (Hargie, 2002). Believe and knowledge influences the attitude and behaviour of members (Bhuyan, 2007). When there is unclear communication between managers and the members on the direction of the cooperative, members can create a negative attitude, resulting in decreasing commitment (Bhuyan, 2007).

Good communication creates honesty, integrity and openness. The cooperative should provide open information on its activities and financial operations. It should educate the members about the cooperative philosophy and on getting the maximum benefit from its services and facilities. The cooperative can best serve its members when the members communicate their needs. Employees and managers are very important in communicating information to the members. It is important that staff knows how to listen to the members and redirect information back to the management and board. Cooperatives can also advertise in the media to build on the cooperative message. If members are well informed and understand the cooperative principles, they may be more willing to do business the cooperative way (McCarthy & Ward, 2001).

Cooperatives can also communicate with their members by educating them. Trechter et al. (2002) found that members who received cooperative education tend to be more committed towards the cooperative. Communication is a form of educating the members on financial or operating matters, but also on norms and values. Communication of knowledge has a positive effect on commitment, because members can better understand the organisations values and goals and how this affects their personal business or living (Gruen et al., 2000). The management also receives information from the members. Receiving information from the members helps the management in understanding the needs of the members and guides them in making correct decisions (Birchall en Simmons, 2004). It has already been explained that members who have the feeling that their voice is

being heard by the management are more committed. Also the quality of communication will increase the level of member commitment (Watson & Papamarcos, 2002).

Relationship marketing literature clearly shows that communication is essential in creating loyalty (Morgan & Hunt, 1994; Ball et al., 2004). The relationship between a customer and a firm can vary between repeated transactions to highly relational bonds (Garbarino & Johnsson, 1999). Consumers make decisions based on mental constructs such as customer satisfaction, perceived service quality, perceived value, trust and commitment (Garbarino & Johnsson, 1999). Ball et al. (2004) state that good communication affects all aspects of a relationship, including trust, satisfaction and loyalty. They found that communication has a high direct and indirect effect on loyalty. They furthermore state that helpful, clear and personalized communication to a significant extent increases loyalty. New digital communication technologies give the cooperatives the opportunity to personalise their communication.

Also the organisational commitment literature shows that there is a positive relation between communication and commitment. Vertical communication (informal with colleagues) is more strongly related to commitment than horizontal communication (strategic information and communication with management). People's sense of belonging to the organisation does not simply depend on their interaction with colleagues. It relates more to their appreciation of the management's communication (Postmes et al., 2001).

4.6 Conclusion

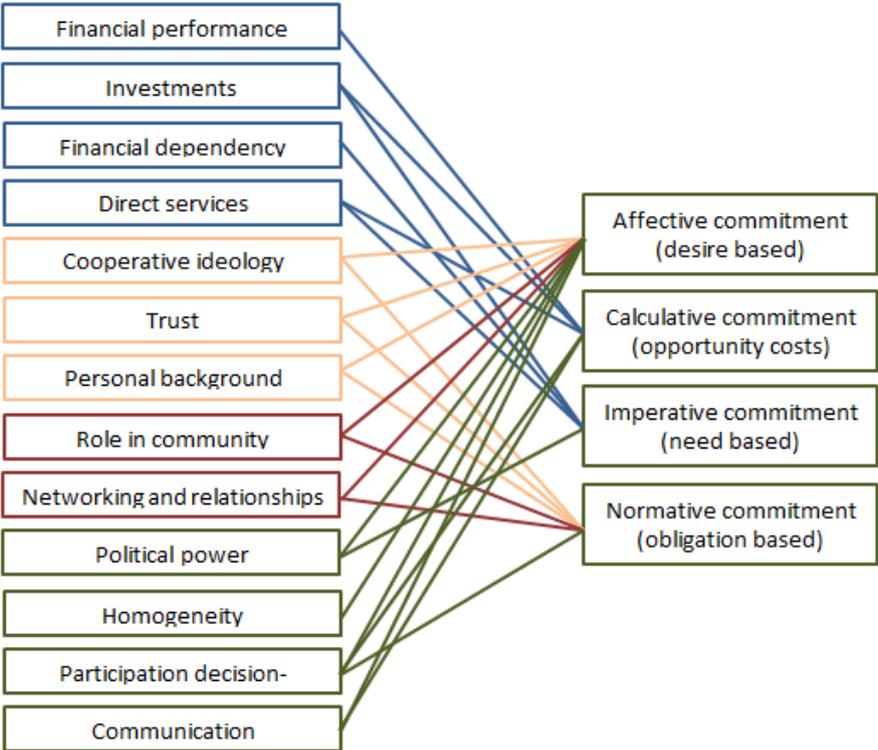
This chapter showed that there are several important factors identified in literature that can have direct or indirect effect on member commitment. Various sub-factors have been divided under the four main factors economic, psychological, social and organisational. A schematic overview of these factors is shown in Figure 2. The factors can be related to various fields, which are the characteristics of the members' farm, the characteristics of the member, the attitude and behaviour of the member, the external environment of the cooperative and the internal environment of the cooperative.

Fig. 2. Main factors and sub-factors influencing member commitment



Subchapter 3.3 explained that commitment can be divided into four drivers, which are normative, affective, calculative and imperative. An overview of the factors and how these can be divided into these four forms of commitment is shown in Figure 3. In the next chapter various measures that can increase commitment are linked to the sub-factors described in this chapter.

Fig. 3. Relations between sub-factors and the four drivers of commitment



5 Measures influencing member commitment

The previous chapter discussed the factors that have influence on member commitment in cooperatives. In this chapter the tools or measures that can strengthen member commitment are discussed. Based on examples and evidence from literature and suggestions from the author, different practical measures are formulated that could increase member commitment in cooperatives. An overview of all measures described can be found at the end of this chapter (see Table 1). The structure of this chapter corresponds to that of the previous chapter. Some factors described in the previous chapter cannot or hardly be translated into measures and are therefore not included in this chapter.

5.1 Economic measures

This section explains the economic related measures that are indicated for the sub-factors *financial performance*, *investments*, *financial dependency*, and *direct services*. The measures can stimulate in particular the calculative commitment level of members.

5.1.1 Financial performance

The level of financial performance in the cooperative organisation and financial benefits from the individual farm enterprise can influence member commitment. The higher the financial advantage of being a member, the higher the commitment of the member. It can therefore be assumed that the cooperative can increase member commitment by offering a better price/quality ratio compared to competitors. Competitors are other cooperatives and non-cooperative alternatives.

E1 Offer a better price/quality ratio compared to competitors

5.1.2 Investments

Farmers who invest in their cooperative are more committed. Investing in a cooperative is in fact a sign of showing commitment. A measure to create more commitment among members is therefore to make members invest more personal equity in the cooperative. It was however explained that there are efficiency problems that can make members less willing to invest. The management can avoid these problems by creating more attractive investment opportunities. One possibility to make investments more attractive and thus make members more willing to participate is by introducing investments with individual property rights in the form of tradable and appreciable residual rights (Nilsson, 2001).

E2 Introduce property rights in the form of tradable and appreciable residual rights

Another possibility to make investing in the cooperative more attractive is changing the financial structure in such a way that members can tailor-made their cooperative investment portfolio (Hakelius, 1999). Members can have the opportunity to decide individually in which activities of the

cooperative they want to invest. This can give members the feeling that they are more in control and also experience the surplus from their cooperative ownership (Hakelius, 1999). By customizing the contracts, every farmer in the heterogeneous member base can obtain the contract according to its personal needs, interest and risk profile.

E3 Introduce individual investment-portfolios

By offering more interesting investment opportunities the cooperative can attract new members that have a preference for investments in value-added enterprises (Fulton, 1999). However, the investments should provide a rate of return which is at least as high as comparable investments outside the cooperative. It is assumed that every investor weights different investment opportunities mainly based on their rate of return and risk profile. Fulton (1999) suggests that cooperatives have to enter specific niche markets or create differentiated products that generate sufficient returns to keep the members interested and satisfied.

E4 Offer attractive rate of return on investments

5.1.3 Financial dependency

Members can become financially dependent on their membership of the cooperative. Farmers take into account the financial consequences when abandoning the cooperative. Financial measures can therefore be installed to make abandoning the cooperative or being disloyal less attractive. For instance a penalty clause could make short-term abandoning of the cooperative unattractive (Fulton, 1993).

E5 Make abandoning the cooperative financially unattractive

Another possible measure, which could create financial dependency, is introducing asset specific investments. These on-farm investments generate only value when the farmer is a member of the cooperative.

E6 Stimulate on-farm investments that are specific to the cooperative

5.1.4 Direct services

The cooperative can offer unique services that are appreciated by the members because they can increase the financial benefits of the farm enterprise. Commitment can increase when these services are scarce or only provided by the cooperative.

E7 Offer unique services

Commitment can also increase when these services are expensive and offered by the cooperative against a lower price compared to competitors. Since the members are the owners of the cooperative, they also have to pay indirectly for these services. The member can however become committed when he assumes that these services are more expensive when not being a member of the cooperative.

E8 Offer services against lower price than competitors

5.2 Psychological measures

In this section the psychological related measures are explained for the sub-factors cooperative ideology and trust. The measures can stimulate in particular the normative and affective commitment level of the members.

5.2.1 Cooperative Ideology

Increasing the cooperative ideology under the members can increase commitment. Cooperatives can increase the cooperative ideology by promoting the cooperative business form and its cooperative principles or the “cooperative message” (Galle, 2010). A large consumer cooperative in the UK for instance introduced a training course for all staff on the cooperative values, principles and future plans to emphasize the cooperative nature (Birchall & Simons, 2004).

P1 Promote the cooperative ideology

The cooperative ideology can be promoted on two different levels. The first level is via overarching organisations such as the ICA. The ICA for instance has convinced the United Nations to declare 2012 as ‘the year of cooperatives’. Such an initiative results in extra attention and publicity for the cooperative business form. The second level via which the cooperative ideology can be spread is inside the cooperative.

Another way to strengthen the cooperative ideology is creating a positive image about the cooperative business form. This could result in the desire of existing and potential new members to belong to the cooperative. It can also result in social status when you belong to a cooperative. Members can feel a strong sense of belong (affective commitment) towards the cooperative if they find common ground with the image the cooperative has, its principles and its members.

P2 Create a positive image about the cooperative

5.2.2 Trust

Trust is an important element in creating commitment. Trust is not something that just happens, it is the result of planned decisions and efforts to improve human relationships (Lasley & Baumel, 1996). Cooperatives should therefore stimulate the presence and creation of trust between individuals and groups in the cooperative. Literature from different fields provides several measures in creating trust in cooperatives and between exchange partners.

In cooperatives members with current or past experience as cooperative can play an important role in creating trust (Borgen, 2001). Trust in cooperative officials can be created by reducing the distance of these officials with the members (Borgen, 2001).

P3 Make the distance between cooperative officials and members as short as possible

Hansen et al. (2002) suggests that influencing the feelings and emotions of members can create affective trust. This could be realised by organising activities that bring members in contact with each other and with cooperative officials, such as excursions, network meetings and parties. The focus should be on “creating a sense of family, good feelings and camaraderie among the members” (Hansen et al., 2002).

P4 Organise activities which bring members and cooperative officials together

Cognitive trust, Hansen et al. (2002) suggest, can be created by providing objective data to the members so that they can assess the trustworthiness of other members and cooperative officials. Examples they provide are hard information on the financial success of the cooperative, the success of members within the cooperative, or biographical information about the skills, competences and accomplishments of managers (Hansen et al., 2002).

P5 Be transparent and provide objective information to the members

Member commitment can be viewed as “a product of sound business ethics which creates a climate of trust within cooperatives” (Lesley & Baumel, 1996). Cooperatives should give more attention to the way ethical decisions are made and how ethical dimensions can be incorporated in the daily operations of cooperatives. Trust related to reliability can be created with a code of conduct. Cooperatives can investigate what ethical principles are important to their members and develop a code of business ethics that is used and promoted within the whole organisations.

P6 Develop a code of conduct within the cooperative

Also in the marketing literature a lot of attention is spend on trust in organisations and between exchange partners. Although this literature places trust in the context of a general business, it can also be relevant for the cooperative business form. Doney & Cannon (1997) stress the importance of trust in buyer-seller relationships and the influence this has on commitment. They stress that personal frequent contact with salespersons is important in generating trust. Even though sales people are not comparable with cooperative officials, it can be assumed that frequent personal contact between members and cooperative officials can increase trust by the members.

P7 Increase personal contact of members with cooperative officials

People trust those who have a lot of expertise and knowledge more. This increases in particular trust related to the capabilities of a person (Doney & Cannon, 1997). Cooperatives could try to get closer to their members by creating opportunities to exchange with them and help them. Barraud-Didier et al. (2012) suggest that the building of affective trust is far more difficult than cognitive trust. Building affective trust takes a long time during which both parties show goodwill and emotional attachment. For building cognitive trust, the cooperative should continuously show that it is reliable and competent in all its actions (Barraud-Didier et al., 2012). They suggest that the cooperative can demonstrate reliability and competence by advising the members on technical, economic, strategic, environmental or regulatory aspects. Competence, they suggest, can be shown by taking good decisions related to investments, marketing, strategies, etc.

P8 Be reliable and competent in all decisions

5.3 Social measures

In this section the measures are formulated and explained for the sub-factors role in community and networking and relationships. The measures can stimulate in particular the normative and affective commitment level of the members.

5.3.1 Role in community

Cooperatives that contribute to the (local) community can expect higher commitment from their members. Cooperatives can contribute for instance by sponsoring social activities within the community. In such a way they also promote the cooperative, which can result in greater identification and commitment from the members. There are various other possibilities in which the cooperative can support the community. Important is however that they communicate this support to the members and the community. If people do not know that a certain project or activity is supported by the cooperative, there will be little effect on commitment.

S1 Contribute to social activities or projects in the community of the members

Cooperatives can also show that they care about their members and the community by working according to the principles of corporate social responsibility. In the context of social responsibility the community can be interpreted rather broad. A practical example is for instance a cooperative who offered participation to its members in an agricultural development project in a developing country.

S2 Work according to the principles of corporate social responsibility

5.3.2 Networking and relationships

The cooperative provides a platform for social interaction amongst members where networking and relationships can stimulate commitment. A member becomes committed because of its good and informal relationship with other members or officials of the cooperative (Westerlund & Akesson, 2005). The cooperative can therefore create an environment and provide platforms in which members can come into contact or interact with other members, either in real life or digital. One could think of a digital forum where members can discuss all sorts of business and non-business related issues or the formation of member (and non-member) clubs who share a specific interest.

S3 Provide opportunities for members to individually interact with each other (live or digital)

Also, building informal relationships creates trust and commitment. The cooperative can stimulate the creation of these informal relationships within the cooperative.

S4 Stimulate the creation of informal relationships among members and between members and cooperative officials

A strong form of commitment is shown from members who recruit new members from their network. Cooperatives could stimulate this form of commitment by offering (financial) rewards to members who recruit new members.

S5 Stimulate recruitment of new members by existing members via rewards

5.4 Organisational measures

In this section the measures are formulated and explained for the sub-factors *political power*, *homogeneity of members*, *participation in decision-making*, and *communication*. The measures can stimulate all forms of commitment, depending on the situation.

5.4.1 Political and administrative issues

Cooperatives can influence member commitment by caring about and defending the interests of their members. Therefore, cooperatives can increase commitment by defending the political interests of their members regarding public policy makers.

O1 Defend interest of members vis-à-vis public policy makers

Another method to stimulate member commitment is to support members with administrative issues. Calculative commitment can be increased when these administrative services are costly but offered for free to members of the cooperative.

O2 Support members with administrative issues

5.4.2 Homogeneity of members

Heterogeneity of the member base has a negative influence on member commitment. The cooperative can therefore increase commitment by taking measures that increase homogeneity. Fulton & Gibbins (2000) suggest that a so-called 'umbrella cooperative' is a method to deal with heterogeneity. This type of cooperative carries out various separated sets of activities with a high degree of integration between the members and the specific activities of the cooperative. Nilsson (2001) suggests to increase homogeneity by splitting the whole cooperative into two or more organisations. In that way the members do not have to deal with activities that are remote from their day-to-day activities. This can result in a better understanding of cooperative processes, more involvement and thus more commitment.

O3 Reorganise the activities of the cooperative

Kalogeras et al. (2009) suggest that cooperatives should spend effort on identifying the factors that result in different preference structures among segments in the member base. They should filter the essential aspects of a situation instead of all conflicting aspects of the different segments (Kalogeras et al., 2009). Cooperatives can thus increase homogeneity by organising its activities based on groups with members who have the same interests and/or geographical background. By organising the cooperative into smaller districts, member might feel a stronger sense of identification with the members in their district, which could also increase commitment.

O4 Organise the member base according to interest and/or geographical background

A third option is to show members that there is a high degree of homogeneity. As long as members have the feeling that they belong to a homogeneous group, they might be more committed. The cooperative can emphasise where the members find common ground in their shared interests and what connects them with each other.

O5 Emphasise the homogeneity of shared interests

5.4.3 Participation in decision-making

Participation in the democratic governing process of the cooperative is an important factor that influences member commitment. Cooperatives can take measures to increase this participation and by doing so increase commitment. One measure to increase participation is by making participating more attractive for the members. Birchall & Simons (2004) use an individual and a collective approach towards motivating members to participate. The individual approach assumes that members are motivated by (financial) rewards.

O6 Reward active participation

The collective approach assumes that participation can be motivated by shared goals (mutual needs), shared values (sense of duty to participate) and sense of community (appreciate other people in same area or that are equal). They suggest that the more these variables are present, the more likely it will be that people participate. Birchall & Simons (2004) furthermore found that the higher the costs to participate, the lower the level of participation. This indicates that a measure to increase participation would be to lower the costs to participate or increase the financial benefits. Practical measures could be for instance to introduce or increase the honorarium for members that participate in the governance of the cooperative, to compensate for travel expenses made for visiting general meetings or by providing discounts for members that participate in boards or committees.

O7 Lower the costs of participation

Birchall & Simons also found that there are non-material benefits that motivate members to participate, such as a learning experience, a sense of achievement, a chance to give own opinion, and enjoyment in the whole process (Birchall & Simons, 2004). A measure could therefore be to promote the non-financial benefits associated with participation in the governance process.

O8 Promote the non-financial benefits of participation

Member participation can be increased when the members have the feeling that the decisions taken by the board are in the interest of the members and the voice of the members is being heard and appreciated (Fulton & Giannakas, 2001; Österberg & Nilsson, 2009). So, if members have the feeling that they have influence in the decision-making and that they also see that their voice is being heard, they could become more committed towards the cooperative and may even be more prepared to participate in the decision-making, which in turn can lead to even more commitment. Also a study by

Bhuyan (2007) showed that dissatisfaction with the management lead to significant lower member commitment and that the probability of members leaving the cooperative was higher if they had the feeling that their input was not valued by the management in making decisions. So it is important that members also have the feeling that their participation is appreciated and recognised.

O9 Assure that the voice of members is heard, appreciated and translated into decisions

Gray & Graenzle (1998) suggest that on-farm visits to members by cooperative officials could be a good way to stimulate participation in the cooperative, explain cooperative operations and make members feel appreciated.

O10 Plan on-farm visits to members by cooperative officials

5.4.4 Communication

The way in which the cooperative communicates with its members can influence the commitment level of their members. Communication is an interesting factor because introducing or adapting certain communication techniques or strategies can immediately affect the strategy used to communicate. Trechter et al. (2002) found that the most important sources of communication that increase member commitment are informal conversations with cooperative officials.

O11 Stimulate informal conversations between cooperative officials and members

Hargie et al. (2002) suggests that cooperative officials should know how effective their communication systems are functioning. The best way to find out to what extend information is reaching the target audience is by the use of communication audits (Hargie et al., 2002). By doing this, the cooperative also shows that they care about informing the members. Trechter et al. (2002) however found that there are differences in the preferences of communication measures by different types of members. Older members with a low education prefer news articles, while young members with higher education prefer individual informal contact with cooperative officials or digital forms of communication. The cooperative can take advantage of this knowledge and reach different groups of members more effectively. Based on these differences between member segments, Trechter et al. (2002) suggest that cooperatives should use a diversity of communication measures to communicate with their members. Not only the communication measure is of importance, but also the content of the message. The cooperative can for instance use the same communication measure for all members, but use a different message for every member segment.

O12 Use a multiple communication approach to reach every member segment

Another important communication related measure that can increase commitment is education and training. In US cooperatives there is a lot of attention to educating members and their elected board members. It is carried out via in-house training programs or through educational centres (Fulton, 1999). Education is a way to communicate the cooperative message to the members. It is also a form of service which the members can appreciate since they can develop their knowledge and skills. By training the members they can gain more understanding of the financial and democratic processes within the cooperative and thus be more able to participate in the cooperative. By educating the

members they will be able to better understand the cooperative ideology and why being committed is important. Torgerson & Jermolowicz (1990) give the example of a series of cooperative and business education workshops for members and cooperative officials. These are workshops specially designed to meet the needs of specific cooperatives. The topics covered rights and responsibilities of members, understanding financial statements, cooperative principles, strategic planning, decision-making, and cooperative marketing (Torgerson & Jermolowicz, 1990). They also gave the example of providing a teaching package for schoolchildren consisting of a complete course on cooperatives. Trechter et al. (2002) suggest that cooperative officials who have interaction with the members should receive training in cooperative principles. New managers and employees of the cooperative can be educated on the cooperative business principles.

O13 Use education and training programmes for members and cooperative officials

Cooperatives can give their members the opportunity to give feedback on the information the cooperative shares with its members. Members might become more committed if they have the feeling that they can give their reaction to information send by the cooperative. Important however is that this feedback is taken seriously and that the cooperative does something with the feedback.

O14 Stimulate interaction with members by offering possibilities to give feedback

When one member believes that the other members are highly committed, the member could also be stimulated to commit itself. Therefore, the cooperative can communicate about the commitment of other members. The members who see and/or read that other members are highly committed, might become committed themselves.

O15 Inform members about the commitment shown by other members

5.5 Conclusion

This chapter explained that there are various measures that cooperatives can use to strengthen member commitment. A total of 8 measures are identified for the main factor economic measures, 9 for the main factor psychological measures, 5 for the main factor social measures and 16 for the main factor organisational measures. An overview of all the measures is provided below in Table 1.

The measures explained in this chapter are still rather abstract and the list of measures that has been identified might not be complete. In the empirical part of this study the knowledge derived from this chapter is used as guidance to investigate which measures Dutch agricultural cooperatives use and how these measures precisely look and work in practice.

Table. 1. List of identified measures to strengthen member commitment.

Economic measures	
	Financial performance and benefits
E1	Offer a better price/quality ratio compared to competitors
	Investments
E2	Introduce property rights in the form of tradable and appreciable residual rights
E3	Introduce individual investment-portfolios
E4	Offer attractive rate of return on investments
	Financial dependency
E5	Make abandoning the cooperative financially unattractive
E6	Stimulate on-farm investments that are specific to the cooperative
	Direct Services
E7	Offer unique services
E8	Offer services against lower price than competitors

Psychological measures	
	Cooperative ideology
P1	Promote the cooperative ideology
P2	Create a positive image about the cooperative
	Trust
P3	Make the distance between cooperative officials and members as short as possible
P4	Organise activities which bring members and cooperative officials together
P5	Be transparent and provide objective information to the members
P6	Develop a code of conduct within the cooperative
P7	Increase personal contact of members with cooperative officials
P8	Be reliable and competent in all decisions

Social measures	
	Role in community
S1	Contribute to social activities or projects in the community of the members
S2	Work according to the principles of corporate social responsibility
	Networking and relationships
S3	Provide opportunities for members to individually interact with each other (live or digital)
S4	Stimulate the creation of informal relationships among members and between members and cooperative officials
S5	Stimulate recruitment of new members by existing members via rewards

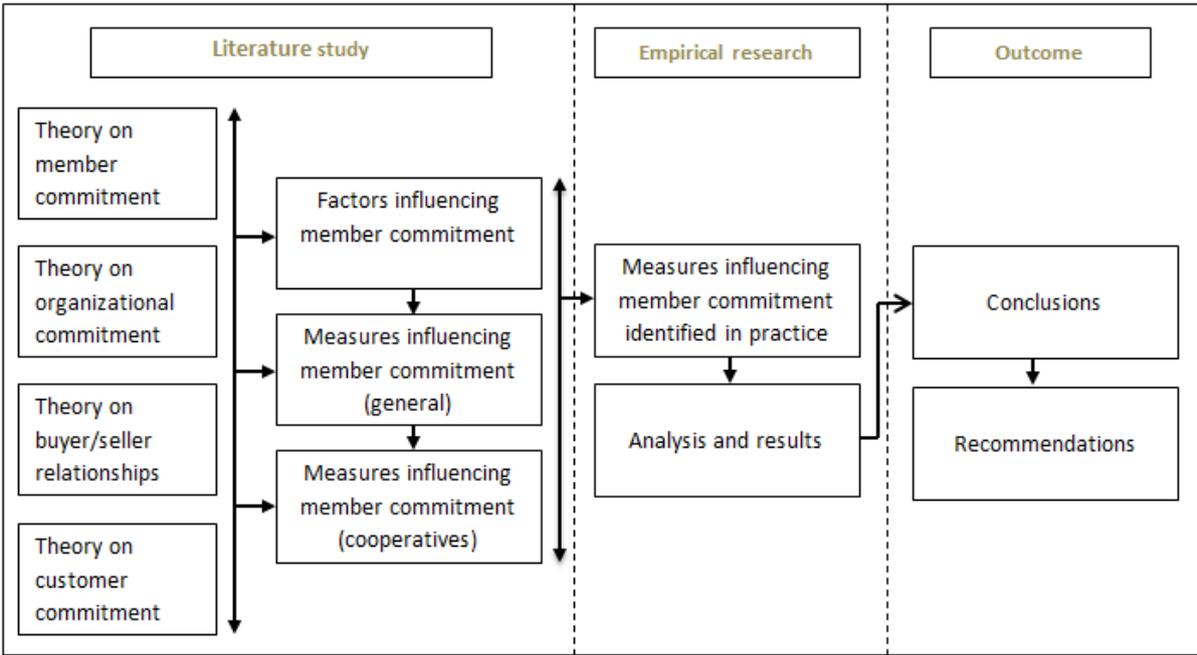
Organisational measures	
	Political and administrative issues
O1	Defend interest of members vis-à-vis public policy makers

O2	Support members with administrative issues
	Homogeneity of members
O3	Reorganise the activities of the cooperative
O4	Organise the member base according to interest and/or geographical background
O5	Emphasise the homogeneity of shared interests
	Participation in decision-making
O6	Reward active participation
O7	Lower the costs of participation
O8	Promote the non-financial benefits of participation
O9	Assure that the voice of members is heard, appreciated and translated into decisions
O10	Plan on-farm visits to members by cooperative officials
	Communication strategy
O11	Stimulate informal conversations between cooperative officials and members
O12	Use a multiple communication approach to reach every member segment
O13	Use education programmes for members and cooperative officials
O14	Stimulate interaction with members by offering possibilities to give feedback
O15	Inform members about the commitment shown by other members

6 Methodology

This chapter explains the scientific methods used in this research. It consists of a transparent documentation of the research process. A schematic overview of the research process is provided in Figure 4. The chapter starts with explaining the theoretical part, which consists of a literature study from which the results have been presented in chapter 1 to 5. The next subchapter explains the empirical part, from which the results are presented in chapter 7. The chapter ends with explaining how the data retrieved from the interviews will be analysed.

Figure 4. Research framework



6.1 Literature study

The first part of this research is based on a literature study. The literature study consists of a review of all relevant literature in the form of scientific and professional articles, books, and websites. Various scientific databases are consulted of which Web of Science, Google Scholar, Scopus, CAB and AGRIS are the most used. Literature is also found through recommendations from the supervisor and by branching from references in relevant literature (snowball-effect).

The results of the literature study are used to construct a questionnaire that can be used for conducting the interviews with the managers of 14 agricultural cooperatives. Resulting from the literature study is a conceptual framework (see Figure 5).

Figure 5. Conceptual model resulting from literature study

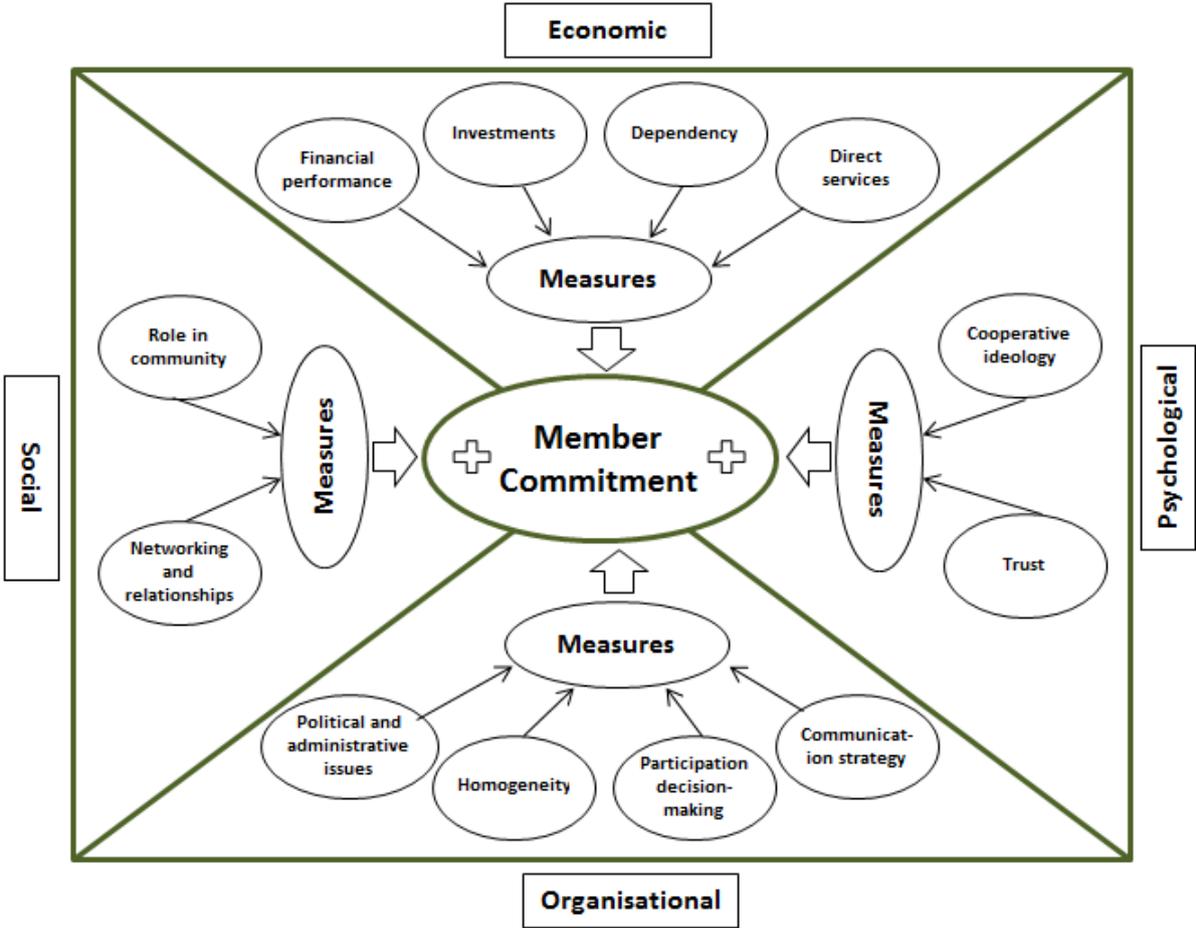


Figure 5 shows the presumed relation between the various factors and measures in relation with member commitment. The factors will influence member commitment and the measures derived from these factors (see Table 1) will strengthen member commitment.

6.2 Empirical research

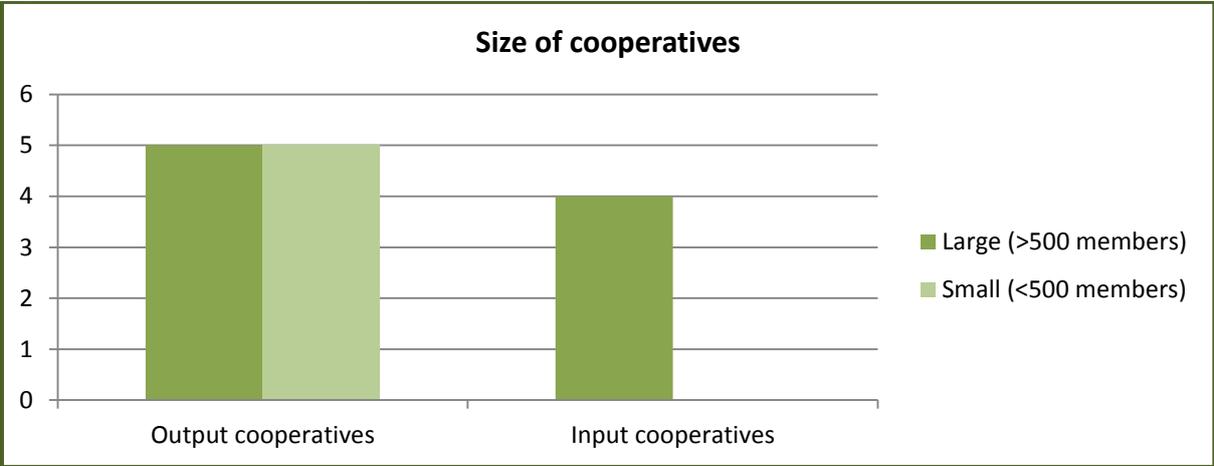
From the literature study a list of factors and their related measures is derived. The goal of the empirical part is to see whether these measures identified from literature are indeed being used in practice by the cooperatives and how these measures are translated in practice. In order to test this, interviews are conducted with officials from agricultural cooperatives in the Netherlands.

6.2.1 Population and sampling

The number of agricultural cooperatives in the Netherlands is rather limited. In consultation with the NCR an email was sent to several cooperatives with the request to participate in the research. 8 cooperatives responded to this email and were prepared to participate in the research. Another 6 cooperatives were contacted by the author and were all prepared to cooperate. In total 4 input cooperatives (supply) and 10 output cooperatives (process/marketing) were prepared to participate (see Figure 6).

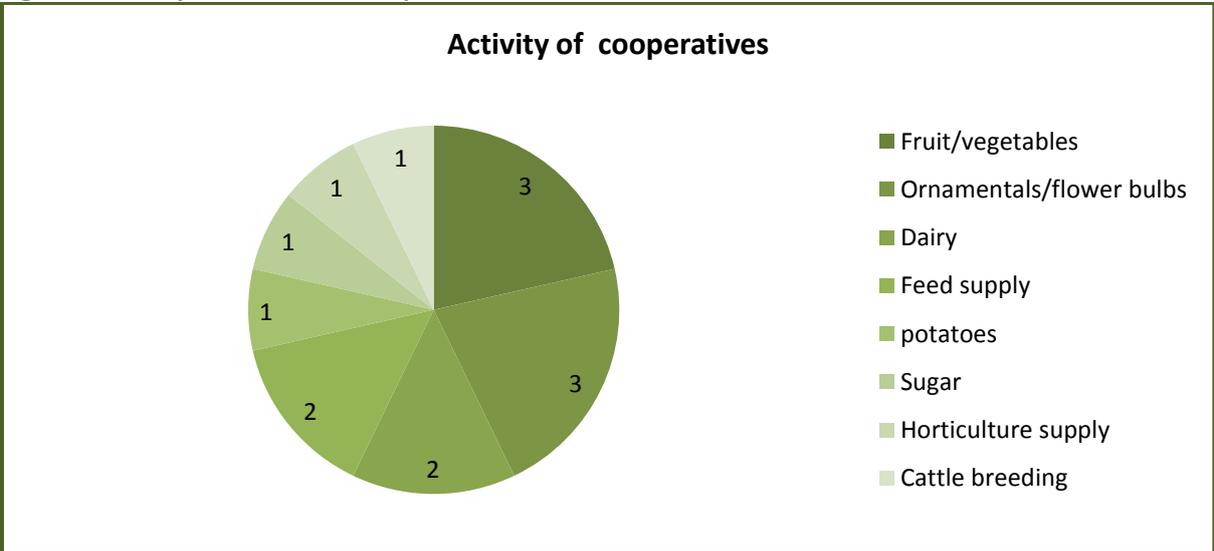
Input and output cooperatives differ in several ways from one another. The most important difference with respect to commitment is the level of dependency and influence on the financial results. A dairy farmer who delivers his milk to the output cooperative highly depends on this cooperative for the largest part of his income. This same farmer however depends only for a short part on his input cooperative, because these are costs and usually cover only a limited percentage of the total costs. This difference can result in a different level of commitment between both types of cooperatives. The cooperatives have been further divided and selected based on their size in number of members (see Figure 6). The size of the cooperatives varies from approximately 370 members up to 23470 members. In this research a cooperative is assumed to be large when it has more than 500 members and small when it has less than 500 members.

Figure 6. Size of interviewed cooperatives



In total 14 different cooperatives were interviewed on the measures being used within their organisation to strengthen the commitment of members. The input cooperatives are active on the field of feed, horticulture and cattle breeding. The output cooperatives are active on the field of dairy, ornamentals, sugar, vegetables, fruit and flower bulb (see Figure 7). In Appendix 1 a list of the interviewed cooperatives is presented.

Figure 7. Activity of interviewed cooperatives



The focus of this research is on the cooperative organisation. For that reason, only officials of the cooperative are interviewed, respectively managers, general directors and board directors. Interviews with cooperative officials are conducted because they are responsible for the relationships with the members. These officials are expected to be experienced and have first-hand knowledge about the member commitment topic. In literature, persons who have experience and knowledge on a certain subject are referred to as experts. Interviews with experts are often referred to as 'expert-interview' (Gubrium & Holstein, 2002). Based on existing literature and experience, Saunders et al. (2004) state that in most situations an expert prefers to be interviewed instead of having to fill in a survey, in particular when the topic of the interview is of interest and relevance for his daily work situation. An interview provides them the opportunity to reflect and think about a certain topic without having to write something down. A personal interview will also create more trust by the expert which can result in providing more sensitive information (Saunders et al., 2004).

6.2.2 Interview process

Direct contact is made with the cooperative official responsible for member relations or cooperative affairs. The officials are contacted through telephone. After explaining the purpose of the interview, a date and time is agreed on. Directly after the telephone call an email is sent to the cooperative official with a confirmation of the meeting and the official is asked to fill in a questionnaire before the face-to-face interview takes place.

The interview consists of two parts. The first part consists of a standardized questionnaire with closed statements that have to be answered based on a five points scale ranging from fully disagree to fully agree (see Appendix 2). The goal of these statements is to show the importance of each measure and whether it is used or not. The cooperative official is asked to fill in this questionnaire before the face-to-face interview meeting. If the cooperative official has, regardless of the reason, not filled in the questionnaire, it will be done in presence of the author before the interview starts. This questionnaire has a mainly describing character and is used to describe the opinion or attitude of the interviewee against a certain proposition that refers to a certain measure.

The second part consists of a semi-structured face-to-face interview at the office of the cooperative and has a more investigating and explaining character. The goal of the interview is to gather knowledge on measures that are used. During the face-to-face interview the cooperative official is confronted with his or her answers on the statements in the structured questionnaire he or she filled in on beforehand. All interviews are according to a one-on-one person interaction. A semi-structured interview is considered to be the best research method with respect to the research questions and research goals of this study. A semi-structured interview is more flexible, which provides the opportunity to ask new questions. This will be in particular useful when the interviewee introduces measures that have not been identified in the literature study. The opportunity to further investigate answers by asking new questions can increase significance and depth in the results (Saunders et al., 2004). The question list used during the interview is structured according to the questionnaire. For clarifying, the questionnaire refers to the list of statements the interviewee has to fill in on beforehand and the question list refers to the list with questions asked during the interview. The question list used will make the interview rather structured.

6.2.3 Questionnaire construction

Based on the literature study a questionnaire is constructed that has to be filled in by the interviewee on beforehand. The questionnaire consists of 39 statements with a five point Lickert scale ranging totally disagree – disagree – neutral – agree – totally agree. The statements can be linked to the factors and measures identified in the literature study. In Table 2 an overview is provided on how the statements link back to the factors and measures.

After reviewing all the measures, it was concluded that measure P8 and O11 have a lot in common and are therefore combined in statement 15. The first version of the questionnaire was tested during the first interview. It turned out that statement 11 and 12 were interpreted in the same manner. It was decided to not combine these two statements but take it into account during the analysis. Also the interpretation of the scale was confusing at some statements. It turned out that the interviewee sometimes scored neutral instead of fully disagree when he fully disagreed. The correct answering procedure was explained at the start of each following interview and changed when necessary. Furthermore some minor (textual) changes were made. The questionnaire can be found in Appendix 2.

Table 2. Explanation of statement numbers with factors and measures

Statement number	Chapter/ Paragraph	Factor/measure	Measure number
1	4		
2	2.4		
3	2.4		
4	4.1.1	Financial performance	E1/E8
5	4.1.2	Investments	E2/E3
6	4.1.2	Investments	E4
7	4.1.2	Investments	E2/E3/E4
8	4.1.3	Financial dependency	E5
9	4.1.3	Financial dependency	E6
10	4.1.4	Direct services	E7
11	4.2.1	Cooperative ideology	P1
12	4.2.1	Cooperative ideology	P2
13	4.2.2	Trust	P3/O11
14	4.2.2	Trust	P4/S3
15	4.2.2	Trust	P5
16	4.2.2	Trust	P6
17	4.2.2	Trust	P7
18	4.2.2	Trust	P8
19	4.3.1	Role in community	S1
20	4.3.1	Role in community	S2
21	4.3.2	Networking and relationships	S4
22	4.3.2	Networking and relationships	S5
23	4.4.1	Political and administrative issues	O1
24	4.4.1	Political and administrative issues	O2
25	4.4.2	Heterogeneity	O3
26	4.4.2	Heterogeneity	O4
27	4.4.2	Heterogeneity	O4
28	4.4.2	Heterogeneity	O5

29	4.4.3	Participation in decision-making	O6
30	4.4.3	Participation in decision-making	O7
31	4.4.3	Participation in decision-making	O8
32	4.4.3	Participation in decision-making	O9
33	4.4.3	Participation in decision-making	O10
34	4.4.4	Communication	O12
35	4.4.4	Communication	O12
36	4.4.4	Communication	O13
37	4.4.4	Communication	O13
38	4.4.4	Communication	O14
39	4.4.4	Communication	O15

6.2.4 Question list construction

The question list used to guide the interview is structured on the same basis as the questionnaire (see Table 2). The question list is constructed and structured in such a way that the total time of the interview does not exceed 60 to 90 minutes. The questions mainly tries to make the interviewee describe what kind of measures are used to strengthen member commitment, whereas the questionnaire mainly tries to find out if a certain measure is used. The question list can be found in Appendix 3, including an explanation of the precise goal of each question.

6.2.5 Validity and reliability

In qualitative research, validity refers to the question whether different researchers will obtain the same results (Easterby-Smith et al., 2002). In an empirical and qualitative research the content and face validity have to be ensured. In this research the content validity is ensured due to the fact that all questions are based on the literature study. The face validity is ensured by pre-testing the questionnaire and the question list. This ensures that questions are interpreted and explained in the same manner and that the answers provided are interpreted by the interviewer in the same way as the interviewee meant it. The questionnaire and question list have furthermore been adapted several times based on the expertise knowledge of the supervisor. The interpretation of the questionnaire is further tested by the questionnaire during the interview.

The danger however exists that the interviewee provides a limited explanation on a certain situation because he or she is not willing or not allowed to give certain information. It can also be the case that the interviewee does not provide a complete answer because he or she puts him or herself in a social desirable way or because the interviewee would like to position the cooperative on a positive place (Saunders et al., 2004). This problem is taken serious in constructing the question list.

Reliability is ensured because all questions are asked by the same person and all information is gathered in the same way. The reliability of the results is ensured because all information is gathered is a consistent manner because it is provided by the person responsible for the subject within the cooperative. The measures have been derived from mainly English written literature. The questions have however been asked in Dutch. Serious attention is spend on the right translation and interpretation of the English words.

6.2.6 Assumptions

In this research the assumptions are made that:

- The sample represents the studied population.
- Respondents provide honest answers (cooperatives have no commercial interest).
- The questionnaire and question list are valid and cover all topics.

6.3 Data analysis

After finishing all interviews the data gathered during the interviews is analysed. All interviews are recorded and typed out within 24 hours after conducting them. The transcripts are confidential and therefore not included in this report. The quantitative data retrieved from the questionnaire is translated into SPSS and analysed in order to retrieve average values and standard deviations. The qualitative data from the interviews is used in a descriptive way during the analysis of the interviews. The results from the interviews and analyses will be linked back to the measures found in the literature. Also various hypotheses and propositions are formulated.

6.4 Limitations

This research only focus on agricultural cooperatives in the Netherlands. Therefore one should be careful with generalising results. This research focuses furthermore only on rather large scale cooperatives. One should therefore be careful with generalising results for all sizes of cooperatives.

7 Results and analysis

This chapter presents the results and analysis. Subchapter 7.1 starts with a general introduction on the main topic. Subchapter 7.2 to 7.5 present and explain the results on respectively the economic, psychological, social and organisational measures. Subchapter 7.6 ends with a conclusion. The quantitative results derived from the questionnaire are presented in two tables at the beginning of each subchapter. The first table shows the overall average mean and standard deviation for each statement. The second table shows the results by making a division between input versus output cooperatives and large versus small cooperatives. This second table only includes interesting results that require analyses. An overview of all quantitative results can be found in Appendix 4. The quantitative results are analysed with the help of the qualitative results from the interviews. A number of quotes from respondents are used to clarify results. These quotes are translated from Dutch to English. Sometimes the order of words is changed to place the statements in the correct context.

7.1 Member commitment in general

Respondents were asked to grade 3 general statements using a 5-point Likert scale ranging from fully disagree to fully agree. The quantitative results are presented in Table 3 and Table 4. In order to understand these quantitative results, several open questions were asked which can be found in the general part of Appendix 3.

Table 3. Results general statements (n=14)

Nr	Statement	Mean	SD
A1	My cooperative is actively working to strengthen commitment of members	4.50	0.52
A2	My cooperative sees a decline in the commitment of its members	3.21	0.89
A3	My cooperative is ahead with strengthening member commitment	3.21	1.19

Table 4. Results general statements output/input and large/small cooperatives

Nr	Statement	Output (n=10)		Input (n=4)		Large (n=10)		Small (n=4)	
		Mean	SD	Mean	SD	Mean	SD	Mean	SD
A2	My cooperative sees a decline in the commitment of its members	3.00	0.94	3.75	0.50	3.50	0.85	2.50	0.58

7.1.1 Definition member commitment

Respondents were asked to define member commitment and give an example of a measure recently introduced to increase member commitment. All respondents were able to give a definition of member commitment. Although the definitions varied from one another, there were similar aspects that could be extracted from most definitions. These aspects were respectively a feeling of connectedness, creating added value, proudness towards the cooperative, active participation, positive promotion of the cooperative, long-term vision, continuity and trust. These aspects are to a large extent identical to the aspects defined in chapter 3.1 of this report.

Most respondents were able to mention an example of a recently used measure to strengthen the commitment of their members. Detailed measures were given, such as increasing the attractiveness of the general meeting, a series of cooperative related articles in the members' magazine or the introduction of a general member's day. Other respondents mentioned rather broad measures, such as more and better communication with the members.

7.1.2 Pro-active approach towards member commitment

Statement A1 investigated whether the respondent's cooperative showed a pro-active approach towards increasing member commitment. All respondents agreed or fully agreed with this statement (mean 4.50; SD 0.52). The relatively small SD indicates that there is consensus between the cooperatives that it is important to improve the commitment of members. Surprisingly however, only two cooperatives had an explicit policy or plan designed to increase member commitment. One cooperative had recently installed a committee with the job to investigate possibilities to increase member commitment. Respondents explain that the effect on commitment is often carefully investigated when making new plans. One respondent for instance explains that the effect on commitment was discussed in the design of a communication plan.

Statement A3 asked the respondent whether his or her cooperative had a leading position compared to other cooperatives in strengthening member commitment. Respondents argued that they had not compared their cooperative with other cooperatives, but approximately half of the respondents agreed and half disagreed, resulting in a mean of 3.21 (SD 1.19). If the respondent agreed, he or she was asked to explain with what their cooperative was ahead. Surprisingly, some respondents that agreed remained rather vague or had difficulties in explaining with what their cooperative was ahead. One respondent defines it clearly by stating: *"We try to be pro-active towards increasing member commitment, but I have the idea that there is currently not one cooperative that really understands the essence of member commitment."*

7.1.3 Decline in member commitment

Statement A2 investigated whether the respondent sees a decline in member commitment within his or her cooperative. On average the level of commitment seems to be rather stable (mean 3.21; SD 0.89). Interesting however to notice is that input cooperatives (mean 3.75; SD 0.50) and large cooperatives (mean 3.50; SD 0.85) both score higher (see table 4). This implies that on average input and large cooperatives experience a greater decline compared to output and small cooperatives.

An explanation for the difference between input and output cooperatives can be related to the degree to which a cooperative can differentiate itself from an IOF (Bijman 2005). Members from input cooperatives are often less depending on their cooperative compared to members from output cooperatives. Members of input cooperatives are often not obliged to only buy their products at the cooperative and the cooperative therefore has to put more effort in showing their members the added value of doing business with the cooperative instead of an IOF. One respondent explains: *“Within our cooperative we have seen a decline in member commitment... One should always go back to the core of the cooperative and why it has been founded in the first place. A member should always recognise himself in the cooperative and as soon as a member does no longer understand what his interest within the cooperative is, his commitment level will go down.”*

The difference between small and large cooperatives can be related to the fact that large cooperatives often experience more heterogeneity and find it more difficult to maintain a relationship with all members. One respondent explains: *“We have seen a decline in member commitment. ...when the cooperative grows, the distance between members and the cooperative also grows due to the structural changes you make during this grow. Thirty years ago someone could just walk into the board room and easily contact the director. At a certain point in time we decided that we wanted to control the cooperative on main points. Disadvantage of this is that members get the perception that there is a large distance.”* This and the previous reaction seem to correspond well to the recent developments in member commitment which were explained in subchapter 3.5.

The majority of the cooperatives does a yearly member satisfaction survey from which they subtract results that give them a certain feeling on the level of member commitment. Doing a member satisfaction survey can increase the commitment level of members since they will have the feeling that the cooperative listens to them and values their opinion. The results of the survey should be translated into action points and these will have to be communicated toward the members.

None of the interviewed cooperatives measures the level of member commitment in a scientific manner. It seems that ‘feeling’ or ‘image’ is often used to describe the level of member commitment: *“We measure commitment by listening to our members and by feeling the mood among our members.”* Other often mentioned indicators for the level of commitment are the attendance rate at the general meeting and the amount of reactions on messages send to the members. Several respondents however argue that it is difficult, if not impossible, to measure member commitment: *“There are few objective criteria that can measure member commitment”* and *“The level of commitment is very dependent on the emotion and circumstances of the moment”* and *“The atmosphere of the moment determines the discussion and decides whether a member feels more or less commitment. Member commitment is a result of something, it is a goal, but you cannot say now we have member commitment... There are several criteria that can determine whether a member feels committed or not, such as the extent to which a member has influence on the governance process.”* The difficulties cooperatives are facing with respect to the commitment of their members might be related to the fact that cooperatives find it hard to understand and interpret the meaning of commitment.

Several respondents also mention that member commitment can suddenly become clearly visible when important decisions have to be made surrounding certain developments: *“Recent years has*

been a turbulent time surrounding the merger, relocation and new building plans. A spinoff from this is that you create many contact moments during member meetings and all these developments creates a lot of involvement and interest from our members, which results in commitment.” Commitment also becomes visible when decisions have been made that upsets members: *“We thought we had made a good decision, but it turned out that members highly disagreed, resulting in a lot of protest and emotion from members. This made us aware of the fact that there still is a high level of commitment. Throughout this whole event commitment from members has substantially increased and members have started to look more critical to us.”* It seems that commitment can become invisible in stable cooperatives, but can suddenly become visible when something happens. Cooperatives should therefore be aware that there are always new plans being discussed or developments taken place within the cooperative that creates curiosity, interest and involvement from the members. In particular when the cooperative focus in their communication about planned decisions on the positive or negative effect for the enterprise of the individual member, it can trigger the interest and participation willingness from members.

7.1.4 General impression

After conducting 14 interviews it is possible to give a general impression of the way cooperatives are dealing with member commitment. It can be concluded that improving member commitment is an important topic on the agenda of Dutch agricultural cooperatives. All cooperatives show a pro-active approach or willingness towards increasing member commitment. Most respondents see or have seen a decline in commitment over recent years. It appears that for at least some cooperatives the level of member commitment is stabilizing or even increasing due to new policies and plans that focus on increasing member commitment.

The cooperatives are still struggling in how they have to translate the topic within their policy. Cooperatives that have designed plans to increase commitment seem to experience an increase in commitment from their members. It remains however unclear since no precise data is available on the level of member commitment in these cooperatives. It could be advised that cooperatives look for techniques to measure commitment. This may also make cooperatives better understand the exact meaning of commitment and the reasons why a member is committed.

7.2 Economic measures

Respondents were asked to grade 7 economic related statements using a 5-point Likert scale ranging from fully disagree to fully agree. The quantitative results are presented in Table 5 and Table 6. In order to support and explain these quantitative results, several open questions were asked which can be found in the economic part of Appendix 3. The quantitative results from statements E6 and E7 require extra explanation and are therefore discussed individually in subchapter 7.2.2.

Table 5. Results economic statements (n=14)

Nr	Statement	Mean	SD
E4	My cooperative delivers a better price / quality ratio in comparison with competitors	4.07	0.48
E5	My cooperative offers members various investment opportunities	1.93	1.39
E8	My cooperative uses financial penalties to make leaving less attractive	1.71	1.27
E9	My cooperative promotes on-farm investments that are specific to the cooperative	2.14	1.23
E10	My cooperative provides services to its members which would otherwise not be available	2.86	1.29

Table 6. Results economic statements output/input and large/small cooperatives

Nr	Statement	Output (n=10)		Input (n=4)		Large (n=10)		Small (n=4)	
		Mean	SD	Mean	SD	Mean	SD	Mean	SD
E4	My cooperative delivers better price / quality ratio in comparison with competitors	4.20	0.42	3.75	0.50	4.10	0.57	4.00	0.00
E5	My cooperative offers members various investment opportunities	2.30	1.50	1.00	0.00	1.60	1.27	2.75	1.50
E8	My cooperative uses financial penalties to make leaving less attractive	2.00	1.41	1.00	0.00	1.30	0.95	2.75	1.50
E10	My cooperative provides services to its members which would otherwise not be available	3.00	1.16	2.50	1.73	2.90	1.45	2.75	0.96

7.2.1 Offer best price/quality

Respondents were asked whether their cooperative provides a better price/quality ratio in comparison with competitors (statement E4). The relative high mean score (4.07) in combination with the relative low SD (0.48) indicates that there is consensus among the respondents on the believe that their cooperative offers a better price/quality ratio.

Respondents were asked to what extend a good price/quality ratio is important in creating member commitment. There was overall consensus among the respondents that offering a good price and a good quality is a precondition for creating commitment: *“Good pricing is the most important instrument in creating member commitment”* and *“The historical grounds from which the cooperative was once emerged has somewhat disappeared. Today member commitment is mainly enabled by financial motives.”* and *“there are multiple measures to strengthen member commitment, but when the member has on a financial basis no longer the right feeling with the cooperative, you will lose him.”*

Respondents experience that their members become larger in size and are confronted with more financial pressure. Good prices and financial results get priority. This is also reflected by the fact that respondents experience a higher attendance rate at financial related member meetings instead of general member meetings. Another respondent states: *“The relationship between a member and the cooperative consists of four aspects; transaction relationship, investment relationship, controlling relationship and community relationship. The first two are the basis for doing business, these two must be excellent, because then members are satisfied with the cooperative... If these two are not perfect, you will not create commitment by offering a nice members day.”*

The economic performance of the member’s firm is assumed to be of high importance to the member. Cooperatives react to this by showing members in which ways the cooperative can contribute in increasing the financial performance of the individual enterprise, as is reflected by the following statement: *“We try to let our members experience that the cooperative can provide added value to their own farm enterprise”*. One respondent uses financial rewards as a measure to make its members more committed and motivated. This output cooperative introduced a sustainability programme, but wondered how they could create participation and commitment from its members. They decided to pay a higher price to members who participated in the programme, resulting in a 95 per cent participation rate. The respondent argues: *“The most important stimulator for commitment is the price, with money you can always move people.”*

Another respondent however argues that the focus should not be solely on the price: *“Price is only one aspect of the whole sales process. The package should be good and we should be able to show the member that our way of doing business can increase the (financial) yield of his farm. This can also be with a higher price.”* Here again the focus is on the financial results of the individual enterprise of the member. Yet another respondent argues that low prices and worse service can also result in member commitment when dependency on the cooperative is high. In these cases members will be present during general meetings in order to show their disappointment, frustration or concern. Although financial results and excellent service are mentioned as most important measures in generating member commitment, one respondent mentions that other measures are also important: *“When we pay a low price, or prices on the market are just low, we always see a decline in member commitment. But if the market prices are bad, what can you do about it? In such you can use other measures to strengthen commitment, such as communication.”*

Although the mean score is slightly lower (see Table 6), it seems that input cooperatives are more concerned to offer good prices and service compared to output cooperatives. Members of input cooperatives can usually easily buy their inputs at another organisation. One respondent from an input cooperative argues that you should show your members that you offer good prices. He suggests to request several quotations from competitors and invite members to compare them with your prices.

7.2.2 Investment opportunities

Statement E5 asked the respondent whether his cooperative offers investment opportunities to members. It turned out that almost none of the cooperatives offers investment opportunities (mean 1.93; SD 1.39). Most cooperatives invest on cooperative level, but not on individual member level.

Statement E6 'My cooperative offers members an attractive return on investment' and statement E7 'My cooperative has put more effort during the past 15 years in improving the attractiveness of investments for members' are not taken into account due to the low score of statement E5.

None of the input cooperatives offers investment opportunities (see Table 6). Two output cooperatives do offer investment opportunities to their members. One output cooperative offers members the opportunity to invest in the cooperative with member certificates. These certificates are tradable among members via a trading system. Six times per year a trading day is organised where members can buy and sell certificates. There is more demand than supply for these certificates on which dividend is paid. The respondent of this cooperative states: *"By investing in the cooperatives, members show trust in the cooperative and that is to me also a signal of commitment."* Another output cooperative recently started an investment initiative with its soft fruit members to individually invest in a juice factory. This creates added value for the members. The cooperative doubled the amount invested by their members. This creates commitment because the cooperative facilitates the opportunity for members to collectively invest in the creation of added value for their products. It also results in more commitment as a result of financial dependency, reflected by the following statement: *"If you have personal money in an organisation than you would like this organisation to manage your money on a sustainable way, so you are more interested and concerned on the well-being of the cooperative. This creates dependency and also commitment."*

Most cooperatives do to a certain level share in profits with their members. Some directly pay a certain amount of money to each member, while others recalculate it at the end of the year with the supply or purchase value. This can create commitment because members are once a year confronted with the fact that they are member of a cooperative and share in the advantages of being a member: *"We try to do this every year and I think it shows continuity with which we hope to keep the members committed."* Some cooperatives redistribute a part of the profit to their members via certificates. The money becomes available when the member retires or quits the membership.

Several cooperatives indicate that they are CAP (Common Agricultural Policy) recognized. Members can make use of these EU subsidies via the cooperative when they would like to invest. The subsidies are introduced to make the market position of these organisations stronger. Cooperatives offer members interesting investment opportunities via these subsidies. Members are obliged to deliver to the cooperative for at least eight years once they used the subsidy. There are high financial sanctions installed for members that breach this contract. This can result in dependency and commitment. Applying for a CAP subsidy is often too complicated for an individual member. The required close collaboration with the cooperative in applying the subsidy can also result in more commitment.

In statement E9 the respondent was asked whether his cooperative promotes on-farm investments that are specific to the cooperative. None of the cooperatives used these kind of investment opportunities. One respondent argues that they do not want to stimulate members to do investments: *"We do not want to have any influence on the business of our members. We do often get questions for advice, but then we only tell the members what is happening in the market. The final decision is for the member, because when you advise them what to do, they will confront you if it does not happen."*

7.2.3 Financial sanctions

Statement E8 asked the respondent whether his cooperative uses financial penalties to make abandoning the cooperative less attractive. Almost none of the respondents agreed on this statement (mean 1.71; SD 1.27). None of the input cooperatives uses any exit fees (see table 6). Members are free to enter or exit the cooperative whenever they want. They are also not obliged to buy their inputs at the cooperative. One respondent from an input cooperative suggests that barriers to enter the cooperative could be useful for the commitment of your members, because you only attract members that have believe in the cooperative and are prepared to be committed.

Some output cooperatives have minor sanctions in place for members that would like to stop their membership, therefore output cooperatives score slightly higher. These sanctions are mainly installed to prevent a large amount of members from suddenly abandoning the cooperative, which can cause serious supply problems for the cooperative. Most respondents do not believe that financial sanctions will increase member commitment. One respondent argues: *“I do not believe in sanctions... Sanctions lead to negative energy, which is something you do not want in a cooperative.”*

Two respondents from output cooperatives also explain that they have financial sanctions with respect to quality in place. Members from output cooperatives should be committed to delivering good quality products to their cooperative since this will be profitable for everyone. By installing sanctions, members can become more committed towards delivering good quality.

One respondent of an output cooperative where members have a 100 per cent supply obligation mentions that their cooperative has a financial regulation in place for very large members that would like to get around their supply obligation. These members can sell their produce to a foreign company as long as they pay a certain percentage of remittance to the cooperative. The respondent explained that members are prepared to pay this remittance because they know that in this manner the cooperative can continue to exist and they profit from the existence of the cooperative.

7.2.4 Unique or free services

Respondents were asked in statement E10 whether their cooperative delivers such services to their members. The mean score of 2.86 in combination with the high standard deviation of 1.29 indicates that there is not a lot of consensus between the respondents. It seems that output and large cooperatives score slightly higher on this statement (see Table 6.). This could be explained by the fact that output cooperatives can offer harvest and process related services and that large cooperatives have more resources to deliver services.

Several respondents argue that many services are not seen as unique by members, but more as common sense or duty of the cooperative (e.g. marketing, transport and process related services). One respondent argues: *“The problem with these services is that it quickly becomes normal. We should stress more often the uniqueness of these services and the fact that it is only possible because we are a cooperative.”* Cooperatives might have to put more effort in communicating the uniqueness of the existence of certain services. In this way members may become more aware of the advantages of being a member and become as a result more committed. By communicating the existence of unique services members may also become aware of their dependence on the cooperative. The focus

in output cooperatives should be in particular on services that can create added value for the member's products. Creating added value is something an individual member is usually not able to.

Respondents were asked to mention examples of free and/or unique services their cooperative offers. An example worth mentioning is an input cooperative that offers tailor made concepts. This cooperative offers besides the inputs tailor made personal advice that focusses on the efficiency of the member's farm. In this way members might experience higher financial benefits as a result of doing business with the cooperative. In combination with personal attention this can create more commitment. Another output cooperative provides the example of collaboration with members in the development of new products.

7.3 Psychological measures

Respondents were asked to grade 8 psychological statements using a 5-point Likert scale ranging from fully disagree to fully agree. The quantitative results are presented in Table 7 and Table 8. In order to support and explain these quantitative results, several open questions were asked which can be found in the psychological part of Appendix 3.

Table 7. Results psychological statements (n=14)

Nr	Statement	Mean	SD
P11	My cooperative is actively promoting the cooperative ideology	3.29	0.99
P12	My cooperative is trying to give a positive image of cooperative entrepreneurship	4.29	0.47
P13	Members of my cooperative have easy access to board members and managers	4.36	0.50
P14	My cooperatives organises activities for members in order to meet each other	4.43	0.51
P15	My cooperative is transparent in its decisions	3.86	1.09
P16	My cooperative has a code of conduct which everyone should adhere	4.07	0.83
P17	Members of my cooperative have regular personal contact with employees of the cooperative	4.29	0.47
P18	My cooperative shows her members that she has knowledge of business	4.14	0.77

Table 8. Results psychological statements output/input and large/small cooperatives

Nr	Statement	Output (n=10)		Input (n=4)		Large (n=10)		Small (n=4)	
		Mean	SD	Mean	SD	Mean	SD	Mean	SD
P14	My cooperatives organises activities for members in order to meet each other	4.40	0.52	4.50	0.58	4.60	0.52	4.00	0.00
P15	My cooperative is transparent in its decisions	3.80	1.03	4.00	1.41	3.60	1.17	4.50	0.58
P16	My cooperative has a code of conduct which everyone should adhere	4.20	0.63	3.75	1.26	4.00	0.94	4.25	0.50

P18	My cooperative shows her members that she has knowledge of business	3.90	0.74	4.75	0.50	4.20	0.92	4.00	0.00
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7.3.1 Cooperative ideology and positive image

Respondents were asked in statement P11 whether their cooperative is actively promoting the cooperative ideology among its members. The results show that on average approximately half of the cooperatives do this actively and the other half not actively or not at all (see Table 7).

Respondents that agreed were asked how they promoted the cooperative ideology in practice. Respondents found it difficult to provide detailed examples. From the reactions it seems that cooperatives try to promote the cooperative ideology via various expressions: *“We always communicate to our members that we work for them. In that way we try to show the soft side of doing business the cooperative way.”* Another respondent answers: *“During member meetings we try to positively bring forward the binding the members have with each other”* and *“In news on developments we always try to indicate the relationship with the cooperative power.”*

The respondents were also asked in statement P12 whether their cooperative was trying to give a positive image on cooperative entrepreneurship. With an average mean of 4.29 and a rather low standard deviation of 0.47 it seems that cooperatives are actively trying to promote their way of doing business. It seems that cooperatives in particular try to promote the cooperative business form among their members. They see it as the duty of the NCR or other organisations to promote the cooperative business form on a broader level. Again respondents were asked to provide examples on how they try to give a positive image on cooperative entrepreneurship. Examples provided by respondents were also mainly communication related. Three examples worth mentioning:

- Go to schools as guest teacher and inform students on the importance of the existence of cooperatives.
- Ask members regularly what they would have done or how business would have looked like if the cooperative did not exist.
- Yearly press meetings where new technologies are shown at the farm of a member and where in particular the members are telling about the positive results of their membership.

Two respondents argued that their cooperative should more often show a certain level of proudness on the organisation. Some cooperatives have placed all business activities in a separated enterprise which is owned by the cooperative and thus by the members. This enterprise does not often promote to its customers that it is owned by members. A feeling of belonging and proudness can result in more commitment. Members can become more proud and committed if the cooperative is communicated in a positive way in the media.

Another respondent argues that the new generation is currently inventing the cooperative business form again as a good way of working together, while there have also been years that the cooperative was seen as a dusty and slow way of doing business. This could indicate that promoting the

cooperative business form is already showing results and young farmers might as a result become more willing and committed to do business via a cooperative.

7.3.2 Access to cooperative officials

Statement P13 asked the respondents whether their members have easy access to board members and managers. With an overall mean of 4.36 and a standard deviation of 0.50 it can be concluded that all cooperatives believe that their cooperative officials are accessible for members. The contact between members and cooperative officials is usually informal and friendly. Cooperative officials in small cooperatives seem to be better accessible compared to large cooperatives, reflected by the slightly higher score (see Table 8). It is often easier to access people in a small organisation.

Respondents were asked how this access was made as short as possible in practice. Respondents explain that the personal contact details of cooperative officials are available on the website or in the members magazine. Other practical examples provided are personal visits to members, presence at cooperative activities and a yearly face book. Recognition, one respondent argues, creates a bond and that is important for member commitment.

7.3.3 Social activities

Statement P14 asked the respondents whether their cooperative organises activities in order to bring members together. The high mean score of 4.43 and standard deviation of 0.51 indicate that all cooperatives do this. Large cooperatives score higher compared to small cooperatives (see Table 8) Respondents were asked whether they believe that contact between members will increase the commitment level of these members. All respondents agreed. One respondent states: *“They can easily exchange information and knowledge and when members talk with each other they get more involved.”* Another respondent believes that yearly returning activities can preserve the bonding with the members. Yet another respondent states: *“When members become closer as a group, you get better cooperation and support for your strategy, which will contribute to greater commitment.”* Respondents indicate that also during official general member meetings a social part is integrated. Usually there is a dinner or drink before or afterwards.

Respondents were asked to mention examples of social activities organised by their cooperative. Often provided examples are a general member’s day, (foreign) excursions, knowledge/discussion meetings, workshops and business related shows or events.

Activities that are organised are often product related. One respondent argues: *“If you organize sector-oriented activities, the attendance rate is high. You can organise a party, what might cost you a few thousand Euro’s, and might create the feeling of solidarity, but I wonder whether it will increase the commitment level.”* Another respondent argues: *“I see that the cooperative activities have a much lower attendance rate than the product related activities. This is caused by the member having the feeling that issues surrounding his product have more influence on his financial results than issues surrounding the cooperative. Therefore we try to organise activities more around a certain product related topic.”*

It seems members are more interested in activities that are related to the product they produce. Usually the member has a certain level of emotion and passion for its product or business and he likes to be informed about it and discuss with other members about it. One respondent explains that they organise demo days in the yard of a member where they invite all members from the area. The respondent explains that members are committed towards issues surrounding the own farm instead of what the cooperative is doing all over the world. Two other cooperatives organise small scale workshops at the farm of one member. They invite twenty members to sit around the kitchen table and discuss in the morning with a specialist from outside the cooperative about a business related topic. In the afternoon they bring the theoretical discuss into practice on the farm of the host member.

7.3.4 Transparency

Respondents were asked in statement P15 whether they believed that their cooperative is transparent in its decisions. On average respondents agree with this statement (mean 3.86), but the high standard deviation (1.09) indicates that some respondents believe to not be transparent. This is a result from the fact that some respondents argued that important decisions regarding large investments or acquisitions cannot always be made public to all members on beforehand. Small cooperatives score higher than large cooperatives (see Table 8). This can be explained by the fact that large organisations become often less transparent compared to small organisations due to their size. Respondents who agreed try to be transparent by providing important data to the members and inform them on decisions. Some respondents also referred to their decision making process as being transparent and well controlled by the board of commissioners or supervisory board.

7.3.5 Codes

Statement P16 asked the respondent whether his cooperative had a code of conduct to which everyone should adhere. With an average score of 4.07 and a standard deviation of 0.83 it seems that almost all cooperatives have a certain code in place. However none of the cooperatives had a specific written code of conduct. Most respondents referred to the NCR code. Also the statutes, rules of procedure and certain product or production related regulations were mentioned. Output cooperatives score slightly higher, which could be a result of more quality regulations compared to input cooperatives.

7.3.6 Personal contact with employees

Statement P17 asked the respondent whether employees of his cooperative have regular personal contact with members. The results show that personal contact with employees is high within cooperatives (mean 4.29; SD 0.47). Field employees that visit farmers are important in transmitting information and opinions from members to the cooperative officials. They also form an important role in communication from the cooperative towards the members. One respondent states: *“Employees that regularly have to visit members are the eyes in the field, they can see what needs attention. Commitment is mainly communication. Every member has a fixed contact person who makes a report from every visit he makes.”* Another respondent states: *“Members that are dissatisfied will first talk to the field employee, he is also the face of the cooperative for many of our*

members.” People in the field can better explain to members decisions that have been made by the cooperative.

Most cooperatives have one or two regular contact persons for each member. These contact persons know all the characteristics of the member’s enterprise and are aware of all developments taking place on the enterprise of the member. The bond between the employee and the member is important in creating trust and commitment. One respondent explains that in particular during harvest periods the contact is more often and good communication, respect and understanding are important during these periods. Therefore it is vital to have good employees, because they can offer good service and that creates commitment. Knowledge, behaviour and attitude of these employees is important. In some regions it can be important to have field employees that have feeling with the region.

7.3.7 Knowledge

Respondents were asked in statement P18 whether their cooperative shows their members that she has knowledge of business. On average respondents agreed on this statement (Mean 4.14; SD 0.77). Respondents indicate that they show their knowledge by informing the members on new technologies and market developments. Many respondents indicate that they give product or production related advice to their members. Large cooperatives have R&D budgets in place and conduct research. Input cooperatives score higher compared to output cooperatives (see Table 8), which could be a result of input cooperatives providing more knowledge on the products they sell to their members.

7.4 Social measures

Respondents were asked to grade 4 social statements using a 5-point Likert scale ranging from fully disagree to fully agree. The quantitative results are presented in Table 9 and Table 10. In order to support and explain these quantitative results, several open questions were asked which can be found in the social part of Appendix 3.

Table 9. Results social statements (n=14)

Nr	Statement	Mean	SD
S19	My cooperative sponsors activities and projects in the community of members	4.07	0.62
S20	My cooperative has an explicit policy of corporate social responsibility	4.14	1.23
S21	My cooperative stimulate the creation of friendly relations among members	3.29	0.99
S22	My cooperative rewards recruitment of new members by existing members	1.57	0.85

Table 10. Results social statements output/input and large/small cooperatives

Nr	Statement	Output (n=10)		Input (n=4)		Large (n=10)		Small (n=4)	
		Mean	SD	Mean	SD	Mean	SD	Mean	SD
S19	My cooperative sponsors activities and projects in the community of members	3.90	0.57	4.50	0.58	4.20	0.63	3.75	0.50

7.4.1 Role in community

Respondents were asked in statement S19 whether their cooperative sponsors activities and projects in the community of members. The average score of 4.07 (SD 0.62) indicates that this is the case for almost all cooperatives. It seems that input and large cooperatives are more active in sponsorship activities compared to output and small cooperatives (see Table 10).

Respondents were asked to provide examples of sponsorship on local activities or projects via which they promote the cooperative or one of the products of the cooperative. The projects and activities they sponsor are in most examples directly related to the product, business or members of the cooperative and ranges from a small amount for a local football club to large scale sponsor activities. Cooperatives also sponsor activities on the individual enterprise of the member. They donate a small amount of money or provide a flag or products. One cooperative even provide a course in which members can learn to promote their own company. Respondents also indicate that they sponsor projects and activities in order to keep the emotional feeling and passion around a product or business alive. One respondent indicates that they sponsor certain events and invite all members to visit or join these activities without having to pay any entrance fee. Three cooperatives mentioned that they also contribute to social projects outside the Netherlands, for instance in the education of farmers in Africa.

Respondents were furthermore asked whether they believe that sponsorship on local activities and projects can increase the commitment of their members. On average respondents believe that it will contribute, but in particular to the commitment of those members that are involved in the sponsored project or activity. One respondent replied: *“Members get the feeling that they are appreciated, it gives a good feeling to those few members that are active within the project.”*

7.4.2 Corporate social responsibility

Statement S20 asked the respondents whether their cooperative has an explicit policy regarding corporate social responsibility (CSR). The majority of the cooperatives has a certain form of policy in place, reflected by the average score of 4.14 (SD 1.23). Respondents of output cooperatives often explain that their customers are demanding with respect to CSR. Cooperatives therefore have to convince their members that they also have to produce in a social responsible way. Interesting is the fact that several respondents indicate that members have to be committed in order to accept and perform certain decisions and regulations made with respect to CSR. One respondent explains: *“Due to the commitment of our members towards the cooperative, we can convince them to join the new CSR policy.”* Another respondent states: *“CSR is a prerequisite to be allowed to produce and deliver in*

the future, but it is also known by members as difficult, because ultimately it always costs extra money. Growers often cannot look at the longer term when it comes to cost.”

It seems that cooperatives try to convince their members by focussing on the financial revenues on the long term for both the cooperative and the member that go hand in hand with CSR. Also here good communication is essential, since members often do not appreciate it when the cooperative tells them how to operate in their own enterprise. If the importance of new regulations is not well communicated, members can experience CSR as a struggle and commitment might decrease. Both cooperatives and CSR strive towards continuity, therefore cooperatives can combine these two aspects in their communication outings.

7.4.3 Networking and relationships

Respondents were asked in statement S21 whether their cooperative stimulates the creation of friendly relationships among members. There seems to be a rather equal division between cooperatives that agree and disagree, reflected by the average score of 3.29 and standard deviation of 0.99. Respondents that agreed with this statement were asked to explain how they stimulate friendly relationships between members. It seems that the cooperative is in particular the facilitator or organiser of various social activities where members can meet each other, but that they do not stimulate the creation of friendly relationships on an active basis.

One respondent believes that bringing members with the same field of interests together can result in friendly relationships between these members. Another respondent states: *“It does not matter whether it is the harmony association or the cooperative, when people know each other they create more feeling with the club and people that know each other can easier agree on the same strategy and direction”*. This respondent also refers to Belgian cooperatives where he has seen that the cooperative even remains in a close relationship with members that retrieved from farming.

Respondents were furthermore asked in statement S22 whether their cooperative rewards recruitment of new members by existing members. The low average score of 1.57 (SD 0.85) indicates that cooperatives in general do not reward recruitment of new members by existing members. One respondent argues: *“We do try to recruit members by existing members, but not by a financial reward. We try to make our existing members very enthusiastic about the cooperative and attract new members based on the positive outings of our existing members. You are a member of a cooperative on the basis of sound decisions. If there is a reward structure in place, it becomes less transparent.”* Only one input cooperative provides a small financial reduction to existing members who recruit new members, but he explains that members do only incidentally make use of it.

7.5 Organisational measures

Respondents were asked to grade 17 organisational related statements using a 5-point Likert scale ranging from fully disagree to fully agree. The quantitative results are presented in Table 11 and Table 12. In order to support and explain these quantitative results, several open questions were asked which can be found in the organisational part of Appendix 3.

Table 11. Results organisational statements (n=14)

Nr	Statement	Mean	SD
O23	My cooperative defends the interests of its members toward politics and government	3.79	0.80
O24	My cooperative helps its members with administrative obligations towards government	3.21	1.42
O25	My cooperative has undertaken reorganisations during the past 15 years in order to increase homogeneity of members	2.71	1.68
O26	My cooperative has divided its members into groups based on geographical origin	3.36	1.37
O27	My cooperative has divided its members into groups based on activities	3.71	1.38
O28	My cooperative emphasizes the common interests of its members	4.07	0.73
O29	My cooperative rewards active participation of members in the decision-making process	3.36	1.08
O30	My cooperative tries to remain costs in decision-making, for members, as low as possible	3.64	1.22
O31	My cooperative emphasizes the non-financial benefits of participation in decision-making	2.93	1.21
O32	My cooperative shows that she appreciates the participation of members in the decision-making process	3.64	1.08
O33	Managers of my cooperative frequently visit the farm of a member	4.07	1.00
O34	My cooperative uses different channels to communicate with its members	4.71	0.47
O35	My cooperative uses various communication channels for different members segments	3.21	1.48
O36	My cooperative organizes education and training for its members	3.71	1.40
O37	My cooperative organizes education and training for new managers and employees	4.36	0.50
O38	My cooperative offers members the possibility to respond to information that the cooperative sends	4.29	0.83
O39	My cooperative shows its members the level of commitment of other members	3.36	1.01

Table 12. Results organisational statements output/input and large/small cooperatives

Nr	Statement	Output (n=10)		Input (n=4)		Large (n=10)		Small (n=4)	
		Mean	SD	Mean	SD	Mean	SD	Mean	SD
O23	My cooperative defends the interests of its members toward politics and government	4.00	0.67	3.25	0.96	3.60	0.84	4.25	0.50
O24	My cooperative helps its members with administrative obligations towards government	2.80	1.40	4.25	0.96	3.40	1.58	2.75	0.96
O26	My cooperative has divided its members into groups based on geographical origin	2.90	1.29	4.50	0.58	3.80	1.14	2.25	1.26

O27	My cooperative has divided its members into groups based on activities	3.80	1.32	3.50	1.73	3.60	1.43	4.00	1.41
O29	My cooperative rewards active participation of members in the decision-making process	3.50	1.08	3.00	1.16	3.00	1.05	4.25	0.50
O31	My cooperative emphasizes the non-financial benefits of participation in decision-making	2.70	1.25	3.50	1.00	2.70	1.25	3.50	1.00
O33	Managers of my cooperative frequently visit the farm of a member	3.90	1.10	4.50	0.58	4.00	1.16	4.25	0.50

7.5.1 Political and administrative issues

Statement O23 asked the respondent whether his cooperative defends the interest of its members towards politics and government. The average mean score of 3.79 (SD 0.80) indicates that cooperatives do try to defend the political interests of their members. Respondents that agreed were asked to explain how their cooperative handles this defence in practice. Respondents refer to LTO as the main body responsible for defending the interest of the Dutch agriculture. Cooperatives work closely together with LTO and other organisations. Respondents indicate that they do not literally defend, but are more active in the lobby and provision of information. They often remain in the background since they do not want to take in the place of LTO. Other example given are serving on the board of an interest group or foundation and founding or participation in research projects.

Cooperatives try to create commitment by showing their members in what way the cooperative defends or has defended their interest. In practice this is most often communicated via articles in the members' magazine. Good communication is essential, reflected by the following respondent: *"People have a certain feeling of frustration about issues they cannot realise on their own. When you communicate well what you do for your members, it could increase commitment."* One respondent explains how they create commitment by defending the interest of their members during times of impotence: *"We heavily supported our members in realising emergency funds during the EHEC crisis. You immediately see that this is appreciated by the members and that strengthens commitment."*

Large cooperatives score lower than small cooperatives (see Table 12). This result would not be expected since large organisations would usually have more influence in politics compared to small organisations. One respondent explains: *"We try to inform political parties on the importance of certain issues, because due to our size we can often easier reach and convince political parties."* One respondent furthermore explains that they often get requests from individual members on political issues they are facing or they ask for an official writing from the cooperative since they have more power or connections. If this results in a satisfying outcome for the individual member, it could increase commitment and awareness of the positive issues connected to his membership: *"If you show your members that you try to do your best for them it will increase commitment."*

Statement O24 asked the respondent whether his cooperative helps their members with administrative obligations towards the government. The average mean score of 3.21 and standard deviation of 1.42 shows that there is not much consensus between the cooperatives. Input cooperatives score higher on this statement compared to output cooperatives. This could be related to the fact that input related products do more often require registration duties. Respondents that agreed were asked to provide examples in which they help their members with administrative issues. Examples provided are registrations related to milk quota, manure handling, environmental issues, minerals, antibiotics and cultivation. Several cooperatives offer the possibility to save data on the personal internet account which can be accessed via the website of the cooperative. Here members can easily view their yearly financial and other business or registration-duty related overviews.

Respondents were also asked whether they believe if providing these administrative services will increase commitment. One respondent answers: *“It will only increase commitment when you do not make mistakes. When it concerns legal obligations, we are a partner, but the member remains responsible. The level of trust can be harmed when you make mistakes and there is an incentive problem since not all members might be honest in providing necessary data.”* Respondents believe that it can increase commitment because you take away administrative issues that normally cost time and money. One cooperative stimulates its members to report various kinds of data from which the cooperative makes an analysis. Based on the results, the member gets personal remarks on how he can increase for instance quality or efficiency. This form of personal advice and attention could increase commitment. It can also increase the yield and quality processed by the output cooperative which on its turn can increase the profitability of the cooperative.

7.5.2 Homogeneity of members

Statement O25 asked the respondents whether their cooperative had undertaken reorganisations during the past 15 years in order to increase homogeneity. The average score of 2.71 in combination with a high standard deviation of 1.68 suggest that approximately half of the cooperatives agreed and half of them disagreed. Almost all cooperatives have undertaken some form of reorganisation, but not all with the main purpose to increase homogeneity or commitment, which could explain the high standard deviation.

Literature showed that cooperatives often divide their members based on geographical region or based on business activities. Statement O26 asked the respondent whether his cooperative divides members into group based on geographical origin, whereas statement O27 asked the respondent whether their cooperative divides their members into groups based on activities. The quantitative results show that cooperatives divide their members in general both with respect to region and activity (see Table 11). It appears that input and large cooperative divide their members more often based on geographical region (see Table 12).

From a traditional point of view members are often divided into groups based on geographical region. Due to economies of scale and specialisation geographical bindings have disappeared and there seems to be a trend within cooperatives to increase commitment by dividing members in groups according to product or activity. The more heterogeneous the products of the cooperative, the more member groups are created. One respondent explains: *“We have recently changed our*

structure into product units in order to get closer to our members. We have divided our members in different product units in which members feel themselves at home. Now we can better give our members the feeling that we are the specialist in a certain product. There are economies of scale and specialisation and members become higher educated. We can only counterbalance if we are recognised as specialist on for instance soft fruits. Everything we communicate with members from each product unit is focused on the product they produce.” Another respondent explains: *“Commitment is easier created via product lines. An apple producer will be more willing to attend a meeting on apples instead of a regional meeting where members from all sorts of disciplines are together.”* Yet another respondent explains: *“When we organise a general meeting, the attendance rate is very low, but when we organise a product specific meeting, the attendance is overwhelming, because that is what makes members committed and on which they would like to have influence and participation. If you involve members in product specific issues, you immediately see that they become more committed.* Even though the members are more divided into product specific groups, the goal of the cooperative is to bundle or process all these different products before they are brought to the market.

Another cooperative has recently introduced a progressive strategy to increase member commitment that also focuses on the division of members in product groups. These so called product commissions divide their members based on product lines. The respondent of this cooperative states: *“The finding was that there was too little communication with our members and that real member commitment can best be organised via product lines, because that influences the income of the members.”* This cooperative has abandoned all regional committees and introduced 35 product committees. The respondent further explains: *“The product commissions will have to put energy in creating commitment. The members appoint their own product commission directors. The advice which they give on policy are not optional, we will always do something with their advice. We would like to give our members the experience that they actually have something to say. The feeling is not enough, they really have to experience it. The product commissions will have to trigger their own members to participate actively. Member commitment is not only between the cooperative and the members, but also between individual members. The responsibility is now more by the members. Recently we had a product commissions which had formulated an advice, but had not tested and discussed this advice with its members. The head of the product commission and its members were found diametrically opposed one another during the first meeting because the members had the feeling that they were not given the chance to be involved. The discussion was no longer between the members and the cooperative, but between mutual members. I see this as a new and stronger form of commitment, because board members of a product commissions start to realise that they have to communicate more often with their followers in order to create support. We are no longer sitting on the podium, but it are the members of the product commissions and they now have more influence as long as they have the support of their follow members.”* Also output cooperatives that produce a rather homogeneous product such as milk, have started to divide their members in different groups based on different ways of producing milk.

One respondent argues that a product strategy can also have negative aspects, for instance that it creates islands among members. The problem with product groups is that people can only think in terms of paprika, and that is bad from a commercial point of view. The respondent explains that his cooperative brings members of different product groups together, because there are also issues that

are relevant for each member and members from different product groups can still learn from each other. Another respondent stresses the importance of a regional strategy: *“By dividing members in districts you increase the homogeneity and commitment. The danger rests in the detachment becoming too large. A solution is to choose for a district approach, because it creates openness and the possibility to reach members on an informal basis.”* It might depend on the size of the members to choose for a regional or product strategy. One respondent explains that their cooperative has small members that outsource everything and large members that insource everything. This can cause tension and decrease of commitment. This cooperative reacted to this problem by introducing a transparent system where members can choose between different packages of services. Members are free to choose which services they would like to choose and which tariffs are connected to these services. One cooperative that organises workshops for its members explained that they put members together, not only with respect to activity, but also with respect to age, farm size and region.

Finally, statement O28 asked the respondent whether his cooperative emphasizes the common interests of their members. The average mean score of 4.07 (SD: 0.73) shows that on average cooperatives do emphasize the common interests of their members. Respondents referred to explaining the cooperative message to their members as an example, in particular related to the financial advantages of common interests.

7.5.3 Participation in decision-making

Statement O29 asked the respondents whether their cooperative rewards active participation of members in the decision-making process. The average score of 3.36 (SD 1.08) indicates that cooperative on average do this. Respondents were asked to mention examples of rewards they use to increase participation. Respondents explain that members active in the member council or certain commissions often get a small financial compensation for their time and travel expenses. Members that attend the general meeting often get a small present, with the accent on small since it is in fact financed by the money of the members. None of the cooperatives provided financial compensation to members that attend general meetings. One respondent noticed that they in fact reward active participation because they always try to do something with the vote and voice of their members.

Several respondents furthermore mention that they try to make the general member meetings more attractive. One respondent explains: *“We stopped with our yearly general member meetings in 28 districts. These were always rather dull meetings. We now offer our members one day where we not only focus on the cooperative decision process, but also on knowledge sharing, entertainment and passion. For a recent meeting for instance famous sportsmen were invited to tell our members how to reach top performances. In this way members become inspired and they will go home with a good feeling.”* Most respondents try to make their general meetings more attractive by offering a dinner or drink afterwards where members and cooperative officials can meet and talk on an informal basis. They try to keep the formal part as short as possible. Other respondents mention that they try to make the general meetings more attractive by organising them on an attractive location. One respondent mentions a famous football stadium and another mentions a large horticulture event where family was also invited. Yet another respondent proposes the example of a general meeting where the partners of the members attended a cooking course. After the meeting both parties joined

to have a dinner together. Cooperatives can furthermore make their general meeting more attractive by making them more interactive and give members the experience that they really have influence. One respondent explains: *“Every member gets a red and a green card with which they can vote. In this way you make their influence on the decision-making process very tangible. Members have the opportunity to speak, we ask them why they raised a red or green card.”*

One respondent stresses the importance of informing members on the topics that will be discussed and the essence of the meeting: *“Members are very busy these days, you really need to show them the importance of the meeting.”* If members are well informed on the topics discussed at the meeting, they might also become afraid that they miss valuable information if they do not attend. If there are topics discussed that really affect the farm enterprise, members are more willing to defend their interest. So it is important that a lot is going on in the cooperative and that there are a lot of interesting topics to be discussed in the meeting. Respondents invite their members for the general meeting via a personal invitation via post or mail. One cooperative sends a reminder text message one day before the meeting to all members. Yet another respondent explains that members that cannot attend have the opportunity to fill in a short questionnaire. This gives them the feeling that their voice is taken seriously. One cooperative has recently introduced an initiative right. This formal right states that if 100 members would like to see a certain theme on the agenda of the board, it will be arranged. By 100 signatures the board will have to start a procedure and formulate a reaction.

Statement O30 asked the respondents whether their cooperative tries to keep the costs which members might have to make to participate in the decision-making process as low as possible. The mean score of 3.64 (SD 1.22) indicates that cooperatives on average do this. Respondents that agreed were asked to explain how they try to keep costs for members as low as possible. Respondents explain that they try to make travel time and expenses as low as possible by strategically planning general member meetings. One respondent explains: *“In many districts we have twice a year a general meeting. Therefore members do not have to travel for two hours to go to a meeting of the cooperative. In this way we try to increase the attendance rate and the commitment. It might be more efficient to hire a large meeting centre in the middle of the country, but we choose for a local strategy in order to get closer to our members, both physical and geographical.”* Another respondent explains that members consider attending general meetings based on other activities they have and the time it costs to attend the meeting. This again suggests that it is important to explain members the importance of the topics discussed during the meeting.

Statement O31 asked the respondents whether their cooperative emphasizes these non-financial benefits. The average score of 2.93 in combination with the relative high standard deviation of 1.21 suggest that approximately half of the respondents agreed and half disagreed.

Statement O32 asked the respondents whether their cooperative shows that it appreciates the participation of members in the decision-making process. The mean score of 3.64 (SD 1.08) indicates that on average cooperatives do this. Respondents were asked to explain how they show this appreciation. Respondents explain that they report the results of the meetings in their magazine and state how many members were present and what policy is made based on the discussions and results. It is important that members recognise themselves in the communication of the results of

the general meeting. Cooperatives furthermore pronounce that their presence really had effort and purpose.

The attendance rate at general meetings is often seen as a good indicator for member commitment. Respondents were asked to indicate the average attendance rate at their general meeting. Results ranged from 10 per cent up to almost 60 per cent. It is however difficult to make conclusions based on these percentages. A member of an output cooperative is usually more dependent on this cooperative than a member of an input cooperative. Or, the calculative commitment in output cooperatives is often higher and therefore members might earlier attend a general meeting of an output cooperative, because it has more influence on their financial situation.

Some cooperatives have a youth college in which they try to make young members or sons and daughters of members committed. They also use it to make young or future members enthusiastic to participate in the member council. One respondent also explains that members who have actively participated for one or several years in the decision-making process (for instance in the members council), are often more committed and will also remain committed for a long period.

7.5.4 Personal visits

Statement O33 asked the respondents whether officials of their cooperative frequently visit member farms. The average score of 4.07 (SD 1.00) indicates that this is on average the case. Respondents stress the importance of personal attention as a measure in creating commitment, reflected by the following statements: *“Cooperative officials are at least one day per month on the road to visit member farms. Our chairmen recently opened the new cowshed of a loyal member. Such a member is extremely honoured that the chairmen brings a visit on such an occasion. We find contact with the field extremely important. You have to hear it from the kitchen table, otherwise it is always filtered via field employees and management”* and *“It strengthens commitment because every member likes personal attention. People like to be recognised, they would like to do business with people they trust and know on a personal basis”* and *“I am convinced that it will increase commitment because by visiting members you can better inform them and make them aware on everything that goes on in the cooperative and it strengthens the relationship between the member and the cooperative”* and *“It is important that cooperative officials know what is going on at the farms of our members. You can easily forget that you are a cooperative and that you work for your members”* and *“I believe that directors who are also member can better talk with their fellow members. They create more trust and can therefore communicate issues easier because they are like-minded”* and *“Personal contact with members forms the basis for commitment. When you have spoken with someone on a physical basis you know each other already, it really connects people. Sending information is too stand-off. People do not know someone because they have seen a picture of him in the member magazine.”*

The larger the size of the cooperative the more difficult it becomes to visit all members on a regular basis. This is also reflected by the slightly higher average score between small and large cooperatives (see Table 11). A problem with visiting members is that it is time consuming. It seems that in large cooperatives the cooperative officials make a distinction between the importance and size of individual members and based on that they decide which members get more personal attention. One respondent furthermore argues that a personal visit will only create commitment on a short term, he

states: *“Satisfaction of your members can be arranged through the business side and their income level, that creates commitment. It does not help to bring a personal visit to each member, maybe only for a short period, because it is cosy and fun.”* Another respondent adds that it is important to visit members with a good agenda, for instance to talk about quality issues. Farmers do not have a lot of time for only social talk. The cooperative of this respondent also rewards members that produce first quality on a yearly basis with a certificate which is handed over by a cooperative official during a personal visit.

Personal visits can also solve problems and reinforce commitment. One respondent mentions that a cooperative official will always visit a member who stops its membership with a reason (not in case of retirement or business termination). An informal discussion with the farmer takes place in his kitchen and the cooperative official tries to rebuild the commitment of the member. Another respondent explains that problems are usually related to bad communication. The easiest way to solve a problem with a member is to visit him and talk on the issue at the kitchen table he explains.

7.5.5 Communication

Statement O34 asked the respondents whether their cooperative uses different channels to communicate with its members. The high mean score of 4.71 (SD 0.47) indicates that all cooperatives use different channels to communicate with their members. Respondents were asked to mention all channels they use to communicate with their members. All respondents mention that their cooperative has a website. On this website general information and news is shared with members and other visitors of the website. Some cooperatives have a form of intranet that can be accessed via the general website and which is only accessible for members and cooperative employees. All interviewed cooperatives furthermore have a member’s magazine that is usually published once or twice a month. This magazine informs members on various aspects related to what is going on in the cooperative and its products and in the world of the members. Cooperatives furthermore mention that they communicate via meetings and activities, personal contact and digital newsletters via email. 9 respondents indicate that they use social media to communicate with their members. This social media consists of Twitter and Facebook.

There seems to be consensus on the fact that communication is indicated as an important measure in creating commitment. Respondents were asked which of the used communication channels is most effective in creating commitment. 10 respondents indicate that personal contact is the best communication technique to create commitment, 3 refer to their magazine, 1 to digital newsletters and 1 respondent was unable to answer the question. Here once more respondents clearly mention the importance of personal contact.

Statement O35 asked the respondents whether their cooperative uses different communication channels for different member segments. The average score of 3.21 (SD 1.48) indicates that there is not a lot of consensus between the respondents. Those cooperatives that have divided their members based on products or activities do use different messages for these segments. One respondent explains: *“We focus in our communication on groups of members. Because the information stream is extremely large you have to be very specific, otherwise you make a lot of costs but do not achieve the right effect with your message.”* Another respondent also stresses the

importance of focused messages. He suggests that personal information that is focussed on the specific details and characteristics of the member and his business can increase commitment. Another respondent furthermore explains: *“We are currently investigating whether we would like to communicate different messages to different segments. Different members might have different information. We already use specific communication for our biological producing members. These members need information regarding specific production methods or market information. Also a young member who just started farming might have different communication needs compared to a member who is planning to retire from farming.”*

Statement O38 asked the respondents whether their cooperative offers members the possibility to respond to information that is send to them by the cooperative. The average score of 4.29 (SD 0.83) indicates that cooperatives do provide this opportunity. Respondents explain that they usually end every letter or form of communication by providing the members the opportunity to contact them. They provide their personal contact details such as telephone number and email address. One respondent explains: *“Members always have the opportunity to contact us, I believe this to be an important aspect in creating commitment. Members should have the feeling that they can provide their opinion and that the cooperative listens to them and also tries to take into account their opinion in the decision making process.”* Several respondents complain that although they always give the opportunity for response, they almost never receive any response. One respondent also experiences a low rate of response but explains that the rate of response is often dependent on the sensitivity of the message. This respondent explains that almost none of the members contacts him on the recently published financial year report, but when a message is sent that concerns an issue that has influence on the enterprise of the individual member, the rate of response is very high.

It seems that cooperatives try to put more effort in communicating with their members via the internet. Respondents indicate that they are struggling with giving the right interpretation to social media in their communication plan or strategy. A digital forum also provides an interesting opportunity to facilitate in communication between members. One respondent explains: *“We consider to create a digital platform where members can discuss issues regarding the cooperative among each other. At this moment we are often the subject of negative discussions on several open forums. We would prefer to keep such discussions internal.”* Another respondent explains: *“I believe in digital communication, but we see conflicting differences between young and old members in the effect. We try to increase commitment by providing more information and I believe that a digital newsletter is an excellent medium to achieve it.”* It is much easier to communicate with members via digital media, but the main problem seems to be that many cooperatives still have a large amount of older members who do not communicate via these new media. The cooperatives that use Twitter indicate that there is also an employee that keeps track of the messages on a daily basis and respondents when necessary. Social media are only effective when there is an immediate response. Social media also provides the opportunity for interaction between the cooperative and its members and for members between one another. One respondent argues: *“We are currently not very active with interactive communication, it is something we are struggling with. Social media could be a good solution to increase interaction... We would like to make the communication from the member towards the cooperative easier and faster... The problem with social media is that you have to respond directly. Currently is seems already challenging to place a weekly message on our website.”*

7.5.6 Education and Training

Statement O36 asked the respondents whether their cooperative organises education and training for its members. The average score of 3.71 reveals that cooperatives do educate and train their members although the high standard deviation shows that there is some disparity in the outcome. Respondents were asked to explain the methods they use in educating their members. Those cooperatives that agreed usually do this in form of workshops. It seems that these workshops have a positive effect on member commitment. One respondent explains that their members can choose between different workshops. Approximately eight members of the same size are invited at the farm of one of these members where they follow the workshop in the presence of an independent specialist and a cooperative official. The workshops focus on a certain topic, such as efficiency, finance, energy use, animal welfare, sustainability, entrepreneurship, quality or marketing. In the morning the workshop takes place around the kitchen table and in the afternoon the practical side is discussed in the field or at the farm. The respondent of this cooperative has seen an increase in attendance at general member meetings since the introduction of these workshops, he explains: *“The small personal issues and questions are discussed during the workshops, so only the large and important topics are now discussed during general meetings.”* Another positive side effect he explains is that members have more influence on increasing their technical and management skills. On the long term this creates more skilled members within the cooperative which is also good for the cooperative. Respondents furthermore address educational meetings on technical issues surrounding the product or members enterprise. Also many social activities organised by the cooperative are often combined with educational aspects.

Respondents were asked in statement O37 whether their cooperative organises education and training for new managers and employees. The average score of 4.36 (SD 0.50) indicates that cooperatives do this. New board members and members of the general assembly do often follow a management course. Another point of attention in this statement was to find out whether there was some focus in training and education of new employees on creating commitment by their members. None of the cooperatives educates their employees on ways in which they could increase member commitment. Various aspects of creating commitment are often hidden in other educational programs. Most new employees do get an introduction course where they also learn various aspects of the cooperative business form.

7.5.7 Commitment by other members

Members can stimulate each other in becoming committed. Statement O39 asked the respondents whether their cooperative shows its members the level of commitment of other members. The mean score of 3.36 (SD 1.01) indicates that this is done by several cooperatives. Respondents were asked to explain how this is done in practice. The most often mentioned example was the use of members in communication. An interview with a farmer is published in the members magazine or on the website where this member tells about a certain topic or issue in relation with the cooperative and how the cooperative adds value to his business. The cooperatives that agreed furthermore show the commitment of their members by informing them on the attendance rate at meetings or activities and convince those who did not attend have really missed something.

8 Conclusions and recommendations

This chapter presents the conclusions of a research on measures being used by Dutch agricultural cooperatives to increase the commitment of their members. A literature study and interviews with 14 Dutch agricultural cooperatives were conducted to provide answers to the research questions. The first three specific research questions have already been answered, respectively in chapter 3, 4 and 5. In this chapter the results from the literature study and the interviews are used to answer the main research question and the specific research questions 4, 5 and 6. This chapter ends with several recommendations towards Dutch agricultural cooperatives on how to strengthen member commitment.

8.1 Member commitment in general

Some general questions were posed to all respondents in order to get an impression on the topic member commitment in Dutch agricultural cooperatives. First of all respondents were asked to define member commitment and provide an example of a measure recently introduced to increase member commitment. All respondents were able to provide a definition of member commitment and to mention an example of a recently introduced measure. From the interviews it became clear that increasing member commitment is an actively discussed topic among Dutch agricultural cooperatives. Respondents were all well informed and aware of the topic. Furthermore all of the cooperatives approached were prepared to cooperate in this research, which might also be an indicator of interest in the topic.

Secondly, respondents were asked whether their cooperative is experiencing a decline in member commitment. Almost all respondents indicated that they see or have seen a decline in member commitment. It appears that for at least some cooperatives the level of member commitment is stabilising or even increasing due to new policies and plans that focus on increasing member commitment.

Thirdly, respondents were asked whether their cooperative uses a pro-active approach towards increasing member commitment. All respondents fully agreed. Respondents were however also asked whether their cooperative is ahead with increasing member commitment. It turned out that a large number of respondents did not see their cooperative as leading in increasing member commitment.

Cooperatives seem to be struggling in how they have to operationalise the topic of member commitment into their policies. Cooperatives that have designed plans to increase commitment seem to experience an increase in member commitment. The extend of this increase remains however unclear since no precise data is available on the level of member commitment in these cooperatives. It could be advised that cooperatives look for techniques to measure commitment. This

may also make cooperatives better understand the exact meaning of commitment and the reasons why a member is committed.

8.2 Measures being used to strengthen member commitment

In the literature study various measures were found that can increase member commitment. Goal of the interviews was to find out which of these measures are actually used and how they are used. At the end of every interview the respondent was asked whether his cooperative uses a measure to increase commitment that has not yet been discussed. Hardly any of the respondents mentioned a new measure. This indicates that the measures used in practice by Dutch agricultural cooperatives correspond to a large extent to the measures found in the literature study.

Respondents have mentioned various kinds of measures ranging from rather broad to very detailed examples. All these measures have been described in detail in chapter 7. In this chapter the focus will be only on the most interesting measures or developments. Table 13 presents an overview of the measures identified in the literature. Based on the results from the interviews a score ranging from 1 to 3 stars is appointed to every measure indicating the importance of each measure used by Dutch agricultural cooperatives.

Table 13. Importance of identified measures

Measure	Importance
Economic measures	
Offer a better price/quality ratio compared to competitors	***
Introduce property rights in the form of tradable and appreciable residual rights	*
Introduce individual investment-portfolios	*
Offer attractive rate of return on investments	*
Make abandoning the cooperative financially unattractive	*
Stimulate on-farm investments that are specific to the cooperative	*
Offer unique services	**
Offer services against lower price than competitors	**
Psychological measures	
Promote the cooperative ideology	***
Create a positive image about the cooperative	***
Make the distance between cooperative officials and members as short as possible	***
Organise activities which bring members and cooperative officials together	***
Be transparent and provide objective information to the members	**
Develop a code of conduct within the cooperative	**
Increase personal contact of members with cooperative officials	***
Be reliable and competent in all decisions	***
Social measures	
Contribute to social activities or projects in the community of the members	***
Work according to the principles of corporate social responsibility	***
Provide opportunities for members to individually interact with each other (live or digital)	**

Stimulate the creation of informal relationships among members and between members and cooperative officials	**
Stimulate recruitment of new members by existing members via rewards	*
Organisational measures	
Defend interest of members vis-à-vis public policy makers	**
Support members with administrative issues	**
Reorganise the activities of the cooperative	**
Organise the member base according to interest and/or geographical background	***
Emphasise the homogeneity of shared interests	***
Reward active participation	***
Lower the costs of participation	**
Promote the non-financial benefits of participation	*
Assure that the voice of members is heard, appreciated and translated into decisions	***
Plan on-farm visits to members by cooperative officials	***
Stimulate informal conversations between cooperative officials and members	***
Use a multiple communication approach to reach every member segment	***
Use education programmes for members and cooperative officials	***
Stimulate interaction with members by offering possibilities to give feedback	***
Inform members about the commitment shown by other members	**
Importance: * = low ** = medium *** = high	

8.3 Reflection between literature and practice

Literature provided a good basis in identifying the measures that can be used to strengthen member commitment. Based on the results from the interviews, several interesting conclusions can be made on commitment increasing developments and measures in their relation with the existing literature.

Profit of the individual farm

It can be concluded that a good price in combination with high quality service is a powerful measure used by the majority of the cooperatives in strengthening the commitment level of their members. Although cooperatives seem to find it important that commitment also comes from ideological motives, respondents realise that this is no longer the case. Some respondents even indicate that good pricing and service are a prerequisite for creating commitment. Cooperatives in particular try to deliver added value to their members and show them what this added value means for their individual enterprise. Respondents indicate that their members are more interested in the results of their individual enterprise/farm. This could be a result of the individualisation in the society. Literature also indicated financial results as an important factor in the creation of commitment, but the focus is often on the financial results of the cooperative and not that strongly on the individual enterprise of the member.

Investments and financial sanctions

Literature provided various examples of cooperatives that try to make their members committed by making them participate in various kinds of investment opportunities. Surprisingly, almost none of the interviewed cooperatives offers investment opportunities to their members. It seems that

investment problems or issues are of less importance or relevance to Dutch agricultural cooperatives. Dutch cooperatives seem to be able to attract enough equity and might therefore offer less investment opportunities to their members. Because participation of members in investments is indicated in the literature as interesting in creating commitment, it can be advised to Dutch agricultural cooperatives to investigate the various opportunities.

Furthermore, financial sanctions were in literature explained as having influence on commitment, but it turned out that none of the respondents have sanctions in place for members that do not show commitment. It seems that respondents do not believe in sanctions or have never thought about it as a way to increase dependency or commitment.

Product related focus

An interesting development that became clear during the interviews is the use of a product related focus in increasing member commitment. Members are interested and passionate about the product they produce or other aspects related to their business. Agricultural cooperatives often have a heterogeneous member base with respect to the products these members produce. From a traditional point of view members are usually divided into groups based on geographical region. Due to economies of scale and specialisation geographical bindings are disappearing and there seems to be a trend within cooperatives to increase commitment by dividing members in groups according to product or activity. Several cooperatives have also started to focus their social activities, decision-making process and communication strategy according to this product focus. The use of this product focus did not become clear during the literature study.

Individual based communication

An often mentioned measure that can increase commitment is personal contact. Personal contact is even indicated by 10 respondents as the most powerful communication technique in increasing member commitment. Personal contact creates trust towards the cooperative, trust towards cooperative officials and trust among members. Often used measures by cooperatives to create personal contact are activities, member visits by cooperative officials and visits by cooperative employees. Several cooperatives mention that every member has its own contact person at the cooperative. This personal contact person can create a bond with the member which can result in trust, mutual understanding and commitment.

Respondents indicated that messages sent by the cooperative are more often being targeted to individual members. This means that the message consists of a topic that is related to the product the member is producing or the business he is involved in. Literature indicated personal contact and attention as important for creating commitment, however no evidence in the literature study was found on the use of personal targeted messages. Several cooperatives indicate that they analyse data collected from members or provided by members. Based on this analysis they inform and advise their members on a personal basis. In this way the member can experience the cooperative perhaps more as a partner and might feel that the cooperative does its best to increase the financial results of the member enterprise. Both of these activities can increase commitment and the individual focus did not strongly appear in the literature study. It seems to be a response from cooperatives on the individualisation of their members and the importance these members attach to increasing the financial benefits of the individual enterprise.

Cooperatives furthermore make use of different mechanisms to communicate with their members of which personal contact, the member's magazine, website, newsletters, activities and meetings are the most used. It seems that cooperatives do not know exactly what to do with social media. It is assumed that cooperatives can create commitment via social media because it is easier and faster to interact with members, but not all members have access to social media and cooperatives doubt whether they can react quickly enough. Cooperatives can be advised to investigate the opportunities of social media in creating member commitment.

Participation in decision-making

The level of participation in the governance of the cooperative is often seen by the interviewed cooperatives as an indicator of commitment. Cooperatives seem to use three measures to increase participation. First they try to make the general meetings more attractive. Second they try to visualise the influence each individual member has in the decision-making process, for example by using red and green cards during the general members meeting. Third they try to inform their members on the importance of their participation for the results of the individual farm.

It furthermore seems that cooperatives that are actively involved in various kinds of developments and projects that require decision-making and involvement from members experience more commitment, in particular when these decisions have influence on the enterprise of the individual member. Cooperatives can therefore be advised to communicate the importance of member participation in the decision-making process and the consequences of decisions for the individual enterprise of their members.

8.4 Differences between types of cooperatives

Input cooperatives seem to experience a larger decline in member commitment compared to output cooperatives. Several respondents indicate that the creation of commitment in output cooperatives is easier compared to input cooperatives. Members of output cooperatives are often more depending on their cooperative. Members of input cooperatives are usually not obliged to solely buy their inputs at the cooperative, so members can easily decide to buy their inputs from another supplier.

No large differences have been found in the measures used between input and output cooperatives. Output cooperatives seem to focus in their measures to improve member commitment more on the product their member is producing. Between large and small cooperatives there also seem to be no large differences in the measures being used.

8.5 Recommendations towards managers and directors

Based on the results and conclusions several recommendations can be made towards managers and directors of agricultural cooperatives that would like to increase the commitment of their members:

1. Develop techniques to measure the level of member commitment and measure the level of commitment on a regular basis.

2. Focus on product and business related interests in creating commitment and try to investigate what passionates members and translate this passion into themes of meetings and activities.
3. Communicate the importance of member participation in the decion-making process and the consequences of decisions for the individual entreprise of members.
4. Make visible and tangible the influence that members have in the decision-making process.
5. Communicate the (financial) advantages and added value for the individual firm of the member as a result of being a member of the cooperatives.
6. Investigate what motives members have to be committed, on which form of commitment it is based and whether there are differences between motives among different groups of members.
7. Investigate the opportunities of social media in creating commitment.

9 Discussion

This research has focused on member commitment in 14 agricultural cooperatives in the Netherlands. Due to the broad focus of this research it provides a complete overview of the measures used by Dutch agricultural cooperatives to strengthen member commitment. The operationalization of the identified measures into the questionnaire with statements proved to be a useful tool in gathering data and knowledge on the most important measures used by the interviewed cooperatives. The combined face-to-face interviews provided the interesting opportunity to understand how certain measures are translated into practice. It furthermore proved to be important for the reliability because some statements were interpreted wrong by respondents. Due to the broad scope of the research it turned out to be difficult to gather detailed examples of certain measures. The face-to-face interviews made it time consuming. The research technique used has resulted in an overview of the importance of certain measures and not really on the number of cooperatives that use a certain measure. The research has also mainly focused on if, why and how cooperatives use a certain measure. It would also be interesting to know why cooperatives do not use a certain measure. The results of this research however provide a good basis to investigate the various commitment increasing factors and measures into more detail.

In order to ensure reliable result all interviewed respondents were a cooperative official. It could be the case that these respondents have a different vision compared to general members on commitment and measures that can be used to increase it. It would therefore be interesting for further research to focus on the members and how they believe their commitment can be stimulated.

Since none of the cooperatives interviewed use any scientific tool to measure the commitment of their members, it is also difficult to state whether it is increasing or decreasing. Further research on tools to measure commitment and the different factors influencing commitment would be helpful. If cooperatives better know and understand how they score on a certain factor that influences commitment, they can better decide on measures that have to be taken.

It will also be interesting to know to what extent a certain measure can increase commitment. The problem with the measures indicated in this research is that they are not always used or introduced to solely increase commitment. Many measures are used by cooperatives that have not always been introduced with the core function to increase commitment, but also for instance to increase efficiency. This research has focused in a rather broad way on member commitment and provides a global overview of the measures that can be used and are used by agricultural cooperatives to strengthen member commitment. Further detailed research on each identified factor would be necessary to better understand the core function of a specific measure and the effect it has on member commitment. This research also focuses on various aspects that have influence on member commitment. Further research on each individual factor is necessary to better understand the influence it has on member commitment and the related measures that can strengthen it.

This research has furthermore generalised all cooperatives in output and input cooperatives. Within these two groups there however still exist differences that may have influence on the measures they use to increase commitment.

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Appendix 1. Interviewed cooperatives

Input cooperatives	Sector/Activity	Members*	Turnover*	Interviewee
Agrifirm	Supply/Feed	15000	1983	Manager Coöperatiezaken
AgruniekRijnvallei	Supply/Feed	2315	225	Algemeen Directeur
Horticoop	Supply/Horticulture	2074	201	Algemeen Directeur
CRV	Cattle Breeding	23478	140	Manager Coöperatiezaken
Output cooperatives				
FrieslandCampina	Dairy	14829	8972	Manager Cooperatiezaken
Flora Holland	Ornamentals	4949	4130	Coordinator Memberplatforms
Royal Cosun	Sugar	8000	1766	Secretaris raad van beheer
Coforta (The Greenery)	Vegetables/Fruit	1007	1263	Manager Coöperatiezaken
ZON Fruit & Vegetables	Vegetables/Fruit	372	334	Bestuursvoorzitter
CNB	Flower Bulbs	1576	280	Manager Coöperatiezaken
Agrico	Potatoes	980	233	Algemeen Directeur
FruitmastersGroep	Fruit	505**	229	Bestuursvoorzitter
CONO Cheesemakers	Dairy	460	175	Supply Chain manager
Plantion	Ornamentals	452	105	Algemeen Directeur

*Source: Bijman et al., 2012, based on annual reports; company websites; press releases; professional media. Turnover in mln.

**Fruitmasters is defined as small in this research.

Appendix 2. Questionnaire

Wageningen, 3 mei 2012



Uit onderzoek in de afgelopen jaren blijkt dat de betrokkenheid van leden bij hun coöperatie is afgenomen. Betrokken leden zijn in meerdere opzichten van belang voor een coöperatie. Met de resultaten van dit interview wordt geprobeerd vast te stellen welke maatregelen agrarische coöperaties in Nederland nemen om de betrokkenheid van leden te versterken.

Wat is uw mening over de volgende stellingen? Zet een kruis in het hokje van uw keuze. Ik verzoek u de stellingen goed te lezen, maar er niet te lang over na te denken. Indien een stelling voor u onduidelijk is of niet van toepassing, dan verzoek ik u deze open te laten.

Al uw antwoorden zullen strikt vertrouwelijk worden behandeld en alleen samengevoegde en anonieme gegevens van alle respondenten zullen gepubliceerd worden.

		Geheel mee oneens	Mee oneens	Neutraal	Mee eens	Geheel mee eens
	Algemeen					
1	Mijn coöperatie is actief bezig met het versterken van de ledenbetrokkenheid					
2	Mijn coöperatie ziet een daling in de betrokkenheid van haar leden					
3	Mijn coöperatie loopt voorop met het versterken van ledenbetrokkenheid					
	Economische maatregelen					
4	Mijn coöperatie levert een betere prijs/kwaliteit verhouding in vergelijking met concurrenten					
5	Mijn coöperatie biedt leden verschillende investeringsmogelijkheden					
6	Mijn coöperatie biedt leden een aantrekkelijk rendement op investeringen					
7	Mijn coöperatie heeft de afgelopen 15 jaar meer energie gestoken in het aantrekkelijker maken van investeringen voor leden					
8	Mijn coöperatie gebruikt financiële sancties om uittreden voor leden minder aantrekkelijk te maken					
9	Mijn coöperatie stimuleert <i>on-farm</i> investeringen die specifiek zijn voor de coöperatie					
10	Mijn coöperatie biedt diensten aan haar leden die anders niet beschikbaar zijn					
	Psychologische maatregelen					
11	Mijn coöperatie werkt niet actief aan het promoten van de coöperatieve ideologie (R)					
12	Mijn coöperatie probeert een positief beeld te geven van coöperatief ondernemen					
13	Leden van mijn coöperatie hebben eenvoudig toegang tot bestuursleden en managers					
14	Mijn coöperatie brengt leden met elkaar in contact door het organiseren van activiteiten					
15	Mijn coöperatie is transparant in al haar beslissingen					
16	Mijn coöperatie hanteert een gedragscode waar iedereen zich aan dient te houden					
17	Leden van mijn coöperatie hebben regelmatig persoonlijk contact met medewerkers van de coöperatie					
18	Mijn coöperatie laat haar leden zien dat ze verstand van zaken heeft					
	Sociale maatregelen					
19	Mijn coöperatie sponsort activiteiten en projecten in de gemeenschap van de leden					

		Geheel mee oneens	Mee oneens	Neutraal	Mee eens	Geheel mee eens
20	Mijn coöperatie heeft geen expliciet beleid ten aanzien van maatschappelijk verantwoord ondernemen (R)					
21	Mijn coöperatie stimuleert het creëren van vriendschappelijke relaties tussen leden					
22	Mijn coöperatie beloont het werven van nieuwe leden door bestaande leden					
Organisatorische maatregelen						
23	Mijn coöperatie verdedigt de belangen van haar leden richting politiek en bestuur					
24	Mijn coöperatie helpt haar leden met administratieve verplichtingen richting overheid					
25	Mijn coöperatie heeft de afgelopen 15 jaar reorganisaties doorgevoerd om de homogeniteit van het ledenbestand te bevorderen					
26	Mijn coöperatie heeft haar leden opgedeeld in groepen gebaseerd op geografische afkomst					
27	Mijn coöperatie heeft haar leden opgedeeld in groepen gebaseerd op activiteiten					
28	Mijn coöperatie benadrukt de gemeenschappelijke belangen van haar leden					
29	Mijn coöperatie beloont actieve participatie van leden in de besluitvorming					
30	Mijn coöperatie probeert de kosten, voor leden, van deelname aan de besluitvorming zo laag mogelijk te houden					
31	Mijn coöperatie benadrukt de niet-financiële voordelen van deelname aan de besluitvorming					
32	Mijn coöperatie laat zien dat ze de participatie van leden in het besluitvormingsproces waardeert					
33	Managers van mijn coöperatie brengen frequent een persoonlijk bezoek aan het agrarisch bedrijf van een lid					
34	Mijn coöperatie gebruikt verschillende kanalen om met haar leden te communiceren					
35	Mijn coöperatie gebruikt verschillende communicatiekanalen voor verschillende ledensegmenten					
36	Mijn coöperatie organiseert geen scholing en training voor haar leden (R)					
37	Mijn coöperatie organiseert scholing en training voor nieuwe managers en medewerkers					
38	Mijn coöperatie biedt leden de mogelijkheid te reageren op informatie die de coöperatie stuurt					
39	Mijn coöperatie laat haar leden zien hoe betrokken de andere leden zijn					

Appendix 3. Question list

Datum + Plaats:

Naam coöperatie:

Naam geïnterviewde:

Activiteiten coöperatie:

Ledenaantal:

Omzet:

Aan de hand van de stellingen waar de geïnterviewde voorafgaand aan het interview zijn of haar mening over gegeven heeft, worden open tot semi-open vragen gesteld.

Algemeen vragen

1. **Mijn coöperatie is actief bezig met het versterken van de ledenbetrokkenheid**
 - a. Wat is uw definitie van ledenbetrokkenheid?
 - b. Kunt u een voorbeeld geven van een maatregel die u recentelijk heeft genomen ter versterking van de ledenbetrokkenheid?
 - c. Meet u de betrokkenheid van uw leden? Zo ja, hoe?

Vraag 1 is een inleidende vraag en laat zien in hoeverre de geïnterviewde bekend is met het begrip ledenbetrokkenheid en in hoeverre de coöperatie actief bezig is met het versterken van de ledenbetrokkenheid.

2. **Mijn coöperatie ziet een daling in de betrokkenheid van haar leden**
 - a. Waaraan ziet u een daling/continuïteit/stijging van de ledenbetrokkenheid?
 - b. Maakt u zich zorgen over de daling in ledenbetrokkenheid?
 - c. Welke gevolgen heeft een daling/continuïteit/stijging van de ledenbetrokkenheid voor uw coöperatie?

Vraag 2 gaat in op de ontwikkeling in het betrokkenheidsniveau van leden binnen coöperaties. De verwachting is (gebaseerd op de literatuurstudie) dat de geïnterviewde een daling ziet in de betrokkenheid. Gekeken wordt hoe de geïnterviewde aankijkt tegen deze daling.

3. **Mijn coöperatie loopt voorop met het versterken van ledenbetrokkenheid**
 - a. Zo ja, waarmee loopt uw coöperatie voorop wat betreft het versterken van de ledenbetrokkenheid?
 - b. Heeft uw coöperatie een expliciet beleid gericht op het versterken van de ledenbetrokkenheid? Zo ja, hoe ziet dit beleid eruit?

In vraag 3 wordt de geïnterviewde uitgedaagd na te denken over de positie die zijn of haar coöperatie inneemt ten opzichte van alle coöperaties met betrekking tot het versterken van de ledenbetrokkenheid.

Economische maatregelen

4. **Mijn coöperatie levert een betere prijs/kwaliteit verhouding in vergelijking met concurrenten**
 - a. Denkt u dat een goede prijs/kwaliteit verhouding betrokkenheid van leden versterkt?
5. **Mijn coöperatie biedt leden verschillende investeringsmogelijkheden**
 - a. Zo ja, wat voor investeringsmogelijkheden biedt u uw leden?
6. **Mijn coöperatie biedt leden een aantrekkelijk rendement op investeringen**
 - a. Verwacht u dat een goed rendement de ledenbetrokkenheid versterkt?
7. **Mijn coöperatie heeft de afgelopen 15 jaar meer energie gestoken in het voor leden aantrekkelijker maken van investeringen**
 - a. Zo ja, hoe hebt u investeren aantrekkelijker gemaakt voor uw leden?
8. **Mijn coöperatie gebruikt financiële sancties om uittreden voor leden minder aantrekkelijk te maken**
 - a. Zo ja, hoe zien deze er concreet uit?
 - b. Denkt u dat leden meer betrokken worden door uittreedsancties?
9. **Mijn coöperatie stimuleert on-farm investeringen die specifiek zijn voor de coöperatie**
 - a. Zo ja, hoe zien deze er concreet uit?
10. **Mijn coöperatie biedt diensten aan haar leden die anders niet beschikbaar zijn**
 - a. Zo ja, wat voor diensten zijn dit?
 - b. Verwacht u dat het aanbieden van deze diensten de ledenbetrokkenheid versterkt?

Vraag 4 tot en met 10 gaan in op de economische maatregelen die geïdentificeerd zijn in de literatuurstudie. Er wordt vooral gekeken welke concrete maatregelen de coöperaties gebruiken en welk belang ze eraan hechten.

Psychologische maatregelen

11. **Mijn coöperatie werkt niet actief aan het promoten van de coöperatieve ideologie (R)**
 - a. Indien wel, kunt u hiervan concrete voorbeelden geven?
12. **Mijn coöperatie probeert een positief beeld te geven van coöperatief ondernemen**
 - a. Zo ja, kunt u hier concrete voorbeelden van geven?
13. **Leden van mijn coöperatie hebben eenvoudig toegang tot bestuursleden en managers**
 - a. Zo ja, hoe ziet dat er in de praktijk uit?
 - b. Stimuleert uw coöperatie het tot stand komen van informele conversaties tussen leden en bestuursleden/managers?
14. **Mijn coöperatie brengt leden met elkaar in contact door het organiseren van activiteiten**
 - a. Zo ja, wat voor activiteiten?
 - b. Denkt u dat contact tussen leden de betrokkenheid van deze leden kan versterken?
15. **Mijn coöperatie is transparant in al haar besluiten**
 - a. Zo ja, hoe manifesteert zich dat?

16. **Mijn coöperatie hanteert een gedragscode waar iedereen zich aan dient te houden**
 - a. Zo ja, kan ik deze inzien/krijgen?
17. **Leden van mijn coöperatie hebben regelmatig persoonlijk contact met medewerkers van de coöperatie**
 - a. Zo ja, hoe vindt dit persoonlijk contact plaats?
18. **Mijn coöperatie laat haar leden zien dat ze verstand van zaken heeft**
 - a. Zo ja, hoe manifesteert zich dat in de praktijk?

Vraag 11 tot en met 18 gaan in op de psychologische maatregelen die geïdentificeerd zijn in de literatuurstudie. Er wordt vooral gekeken welke concrete maatregelen de coöperaties gebruiken en welk belang ze eraan hechten. In veel gevallen wordt er van uitgegaan dat de geïnterviewde de stelling positief beantwoordt. Indien dit niet het geval is, wordt er gevraagd waarom de stelling niet positief beantwoordt is.

Sociale maatregelen

19. **Mijn coöperatie sponsort activiteiten en projecten in de gemeenschap van de leden**
 - a. Zo ja, kunt u concrete voorbeelden geven?
 - b. Denkt u dat het ondersteunen van activiteiten en projecten in de gemeenschap de ledenbetrokkenheid versterkt?
20. **Mijn coöperatie heeft geen expliciet beleid ten aanzien van maatschappelijk verantwoord ondernemen (R)**
 - a. Indien wel, kan ik dit inzien?
 - b. Denkt u dat maatschappelijk verantwoord ondernemen de betrokkenheid van leden kan versterken?
21. **Mijn coöperatie stimuleert het creëren van vriendschappelijke relaties tussen leden**
 - a. Zo ja, hoe manifesteert zich dat in de praktijk?
 - b. Denkt u dat vriendschappelijke relaties tussen leden de betrokkenheid bij de coöperatie kan versterken?
22. **Mijn coöperatie belooft het werven van nieuwe leden door bestaande leden**
 - a. Zo ja, hoe ziet deze beloning er concreet uit?

Vraag 19 tot en met 22 gaan in op de sociale maatregelen die geïdentificeerd zijn in de literatuurstudie. Er wordt vooral gekeken welke concrete maatregelen de coöperaties gebruiken en welk belang ze eraan hechten.

Organisatorische maatregelen

23. **Mijn coöperatie verdedigt de belangen van haar leden richting politiek en bestuur**
 - a. Zo ja, op welke manier?
 - b. Denkt u dat het verdedigen van de belangen van leden, door de coöperatie, deze leden meer betrokken maakt?
24. **Mijn coöperatie helpt haar leden met administratieve verplichtingen richting overheid**
 - a. Zo ja, hoe manifesteert zich dat in de praktijk?

25. **Mijn coöperatie heeft de afgelopen 15 jaar reorganisaties doorgevoerd om de homogeniteit van het ledenbestand te bevorderen**
- Zo ja, welke concrete veranderingen zijn er doorgevoerd?
 - Denkt u dat een homogeen ledenbestand de betrokkenheid van leden versterkt?
26. **Mijn coöperatie heeft haar leden opgedeeld in groepen gebaseerd op geografische afkomst**
- Zo ja, waarom?
 - Zo ja, hoe ziet deze verdeling eruit?
27. **Mijn coöperatie heeft haar leden opgedeeld in groepen gebaseerd op activiteiten**
- Zo ja, waarom?
 - Zo ja, hoe ziet deze verdeling eruit?
28. **Mijn coöperatie benadrukt de gemeenschappelijke belangen van haar leden**
- Zo ja, hoe?
29. **Mijn coöperatie belooft actieve participatie van leden in de besluitvorming**
- Zo ja, hoe wordt dit concreet beloond?
 - Acht u actieve participatie in de besluitvorming van positief belang voor de betrokkenheid van leden?
30. **Mijn coöperatie probeert de kosten, voor leden, van deelname aan de besluitvorming zo laag mogelijk te houden**
- Zo ja, hoe wordt dit concreet gedaan?
31. **Mijn coöperatie benadrukt de niet-financiële voordelen van deelname aan de besluitvorming**
- Zo ja, hoe wordt dit concreet gedaan?
32. **Mijn coöperatie laat zien dat ze de participatie van leden in het besluitvormingsproces waardeert**
- Zo ja, kunt u concrete voorbeelden geven?
33. **Managers van mijn coöperatie brengen frequent een persoonlijk bezoek aan het agrarisch bedrijf van een lid**
- Zo ja, hoe manifesteert zich dat in de praktijk?
34. **Mijn coöperatie gebruikt verschillende kanalen om met haar leden te communiceren**
- Zo ja, welke kanalen?
 - Welk kanaal acht u het meest effectief?
35. **Mijn coöperatie gebruikt verschillende communicatiekanalen voor verschillende ledensegmenten**
- Zo ja, welke communicatiekanalen worden gebruikt voor welke segmenten?
36. **Mijn coöperatie organiseert geen scholing en training voor haar leden (R)**
- Hoe ziet dit er in de praktijk uit?
37. **Mijn coöperatie organiseert scholing en training voor nieuwe managers en medewerkers**
- Hoe ziet dit er in de praktijk uit?

38. **Mijn coöperatie biedt leden de mogelijkheid te reageren op informatie die de coöperatie stuurt**
a. Zo ja, hoe manifesteert zich dat in de praktijk?

39. **Mijn coöperatie laat haar leden zien hoe betrokken de andere leden zijn**
a. Zo ja, hoe manifesteert zich dat in de praktijk?

Vraag 23 tot en met 39 gaan in op de organisatorische maatregelen die geïdentificeerd zijn in de literatuurstudie. Er wordt vooral gekeken welke concrete maatregelen de coöperaties gebruiken en welk belang ze eraan hechten.

40. Gebruikt uw coöperatie specifieke maatregelen ter stimulering van de ledenbetrokkenheid die niet aan bod zijn gekomen tijdens dit interview?

41. Heeft u nog andere opmerkingen of heeft u nog vragen?

Vraag 40 en 41 geven de geïnterviewde de mogelijkheid zaken met betrekking tot ledenbetrokkenheid toe te voegen welke tijdens het voorafgaande deel van het interview niet aan bod zijn gekomen.

Appendix 4. Quantitative results output/input and large/small cooperatives

Nr	Statement	Output (n=10)		Input (n=4)		Large (n=10)		Small (n=4)	
		Mean	SD	Mean	SD	Mean	SD	Mean	SD
A1	My cooperative is actively working to strengthen commitment of members	4.50	0.53	4.50	0.58	4.50	0.53	4.50	0.58
A2	My cooperative sees a decline in the commitment of its members	3.00	0.94	3.75	0.50	3.50	0.85	2.50	0.58
A3	My cooperative is ahead with strengthening member commitment	3.20	1.14	3.25	1.50	3.20	1.14	3.25	1.50
E4	My cooperative delivers better price / quality ratio in comparison with competitors	4.20	0.42	3.75	0.50	4.10	0.57	4.00	0.00
E5	My cooperative offers members various investment opportunities	2.30	1.50	1.00	0.00	1.60	1.27	2.75	1.50
E8	My cooperative uses financial penalties to make leaving less attractive	2.00	1.41	1.00	0.00	1.30	0.95	2.75	1.50
E9	My cooperative promotes on-farm investments that are specific to the cooperative	2.30	1.16	1.75	1.50	1.80	1.14	3.00	1.16
E10	My cooperative provides services to its members which would otherwise not be available	3.00	1.16	2.50	1.73	2.90	1.45	2.75	0.96
P11	My cooperative is actively promoting the cooperative ideology	3.20	1.03	3.50	1.00	3.20	1.03	3.50	1.00
P12	My cooperative is trying to give a positive image of cooperative entrepreneurship	4.30	0.48	4.25	0.50	4.30	0.48	4.25	0.50
P13	Members of my cooperative have easy access to board members and managers	4.30	0.48	4.50	0.58	4.30	0.48	4.50	0.58
P14	My cooperatives organises activities for members in order to meet each other	4.40	0.52	4.50	0.58	4.60	0.52	4.00	0.00
P15	My cooperative is transparent in its decisions	3.80	1.03	4.00	1.41	3.60	1.17	4.50	0.58
P16	My cooperative has a code of conduct which everyone should adhere	4.20	0.63	3.75	1.26	4.00	0.94	4.25	0.50
P17	Members of my cooperative have regular personal contact with employees of the cooperative	4.30	0.48	4.25	0.50	4.40	0.52	4.00	0.00
P18	My cooperative shows her members that she has knowledge of business	3.90	0.74	4.75	0.50	4.20	0.92	4.00	0.00
S19	My cooperative sponsors activities and projects in the community of members	3.90	0.57	4.50	0.58	4.20	0.63	3.75	0.50
S20	My cooperative has an explicit policy of corporate social responsibility	4.20	1.23	4.00	1.41	3.90	1.37	4.75	0.50
S21	My cooperative stimulate the creation of friendly relations among members	3.50	1.08	2.75	0.50	3.20	1.03	3.50	1.00
S22	My cooperative rewards recruitment of new members by existing members	1.70	0.95	1.25	0.50	1.30	0.48	2.25	1.26
O23	My cooperative defends the interests of its members toward politics and government	4.00	0.67	3.25	0.96	3.60	0.84	4.25	0.50
O24	My cooperative helps its members with administrative obligations towards government	2.80	1.40	4.25	0.96	3.40	1.58	2.75	0.96
O25	My cooperative has undertaken reorganisations during the past 15 years in order to increase homogeneity of members	2.80	1.75	2.50	1.73	2.50	1.58	3.25	2.06
O26	My cooperative has divided its members into groups based on geographical origin	2.90	1.29	4.50	0.58	3.80	1.14	2.25	1.26
O27	My cooperative has divided its members into groups based on activities	3.80	1.32	3.50	1.73	3.60	1.43	4.00	1.41
O28	My cooperative emphasizes the common interests of its members	4.10	0.88	4.00	0.00	4.00	0.82	4.25	0.50
O29	My cooperative rewards active participation of members in the decision-making process	3.50	1.08	3.00	1.16	3.00	1.05	4.25	0.50
O30	My cooperative tries to remain costs in decision-making, for members, as low as possible	3.60	1.27	3.75	1.26	3.40	1.35	4.25	0.50

Nr	Statement	Output (n=10)		Input (n=4)		Large (n=10)		Small (n=4)	
		Mean	SD	Mean	SD	Mean	SD	Mean	SD
O31	My cooperative emphasizes the non-financial benefits of participation in decision-making	2.70	1.25	3.50	1.00	2.70	1.25	3.50	1.00
O32	My cooperative shows that she appreciates the participation of members in the decision-making process	3.70	1.16	3.50	1.00	3.60	1.27	3.75	0.50
O33	Managers of my cooperative frequently visit the farm of a member	3.90	1.10	4.50	0.58	4.00	1.16	4.25	0.50
O34	My cooperative uses different channels to communicate with its members	4.70	0.48	4.75	0.50	4.70	0.48	4.75	0.50
O35	My cooperative uses various communication channels for different members segments	3.00	1.56	3.75	1.26	3.30	1.42	3.00	1.83
O36	My cooperative organizes education and training for its members	3.80	1.14	3.50	1.29	3.70	1.06	3.75	1.50
O37	My cooperative organizes education and training for new managers and employees	4.30	0.48	4.50	0.58	4.40	0.52	4.25	0.50
O38	My cooperative offers members the possibility to respond to information that the cooperative sends	4.20	0.92	4.50	0.58	4.20	0.92	4.50	0.58
O39	My cooperative shows its members the level of commitment of other members	3.30	0.95	3.50	1.29	3.30	1.06	3.50	1.00