



Turun yliopisto  
University of Turku

**COLLABORATION OF COOPERATIVES WITH  
EDUCATIONAL INSTITUTIONS  
FROM THE CORPORATE RESPONSIBILITY POINT OF VIEW**

**Marja-Leena Ruostesaari**

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## THE AIM OF THE STUDY

- *To examine the collaboration of cooperatives with educational institutions from the Corporate Social Responsibility (CSR) perspective.*
- *To examine how and to what extent do the values and principles come true in practice through the programs for younger generation.*



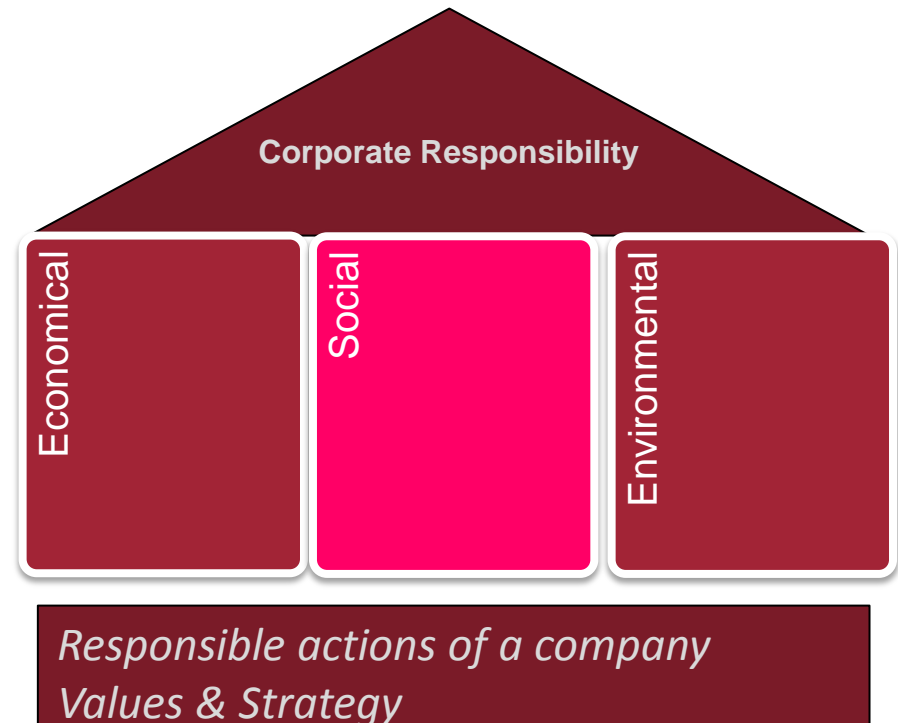
## THE BACKGROUND OF CORPORATE SOCIAL RESPONSIBILITY (CSR) AND COOPERATIVE VALUES AND PRINCIPLES (CVR)

- The concept of CSR goes back to 1960s
- Cooperative values and principles have been embedded in cooperative enterprise model since 1844; Rochdal's inheritance.



## WHAT IS CORPORATE RESPONSIBILITY?

- *Corporate Social Responsibility is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as the community and society at large. (Melé 2009.)*
- *“Companies combine **voluntarily** their social and egologic concerns into business and co-operation with the stakeholders.  
(European Union 2006)*





## FACTS ABOUT COOPS

- There are three times as many member owners of cooperatives as individual shareholders worldwide. There are **328 million** people who own shares, compared to **1 billion** who are member owners of cooperative enterprises.
- There are three countries with over half of the population in cooperative memberships and all in Europe: Ireland 70 %, **Finland 60 %** and Austria 59 % (*Euricse 2012*).
- In Finland there are more than 4000 cooperative enterprises with 7 million members all together; 11 Finnish cooperatives on the Global 300 list ([www.global300.coop](http://www.global300.coop))
- 213 new cooperatives were established last year (2011) in Finland



## COOPERATIVE VALUES AND PRINCIPLES

*Cooperatives all over the world share the same international values, but in every country cooperation also has its own identity.*

### Values

- Self-help
- Self-responsibility
- Equity
- Solidarity

### Ethical values

- Honesty
- Openness
- Social responsibility
- Caring



## THE PRINCIPLES OF COOPERATION = TOOLS TO PUT VALUES INTO PRACTICE

1. Voluntary & open membership
2. Democratic member control
3. Member economic participation
4. Autonomy and independence
5. Education, training and information
6. Cooperation among cooperatives
7. Concern for community



## 5TH PRINCIPLE: EDUCATION, TRAINING AND INFORMATION

- Cooperatives provide education and training for **their members, elected representatives, managers, and employees** so they can contribute effectively to the development of their cooperatives.

*Only for members? Is the viewpoint too narrow?*

- They inform the general public – **particularly young people** and opinion leaders – about the nature and benefits of cooperation.

*Have they done it enough?*





## 7TH PRINCIPLE: CONCERN FOR COMMUNITY

- Cooperatives work for the sustainable development of their communities through policies approved by their members.

*Local contribution? Protecting the fundamental needs of coming generations?*



## THE FOCUS

The focus of this study is on responsibility, cooperative values & principles, the target group being the younger generation.



## RESEARCH QUESTIONS

1. To what extent do companies report the collaboration with younger generation, and how and to what extent can the cooperative values and principles be seen in CSR reports?
2. To what extent and by which means do cooperative enterprises take responsibility of Entrepreneurship education/workplace education of young people?
3. What kind of positive results can be found in collaboration with educational institutions concerning cooperative values and principles?
4. What kind of challenges have cooperatives met in collaboration with educational institutions?



## RESEARCH METHOD

- **Qualitative Content analysis**

CSR reports of the 50 biggest Finnish cooperatives ; banking, retail, insurance, dairies, forestry

- **Intrviews**

Representatives of 10 SME cooperatives



# DATA & PARTICIPANTS

## ANALYSIS OF COMPANIES' WWW-PAGES

- 50 biggest co-operatives in Finland (from the list of 300 biggest cooperative companies in Finland)
  - 22 retail *S Group + 21 outlets*
  - 10 dairy or meat
  - 8 insurance
  - 3 banking *OP-Pohjola + 2 member banks*
  - 7 others (e.g. forestry)

### **Two biggest cooperative groups in Finland**

S Group is a Finnish network of companies in the retail and service trades comprising over 1,600 outlets in Finland. S Group consists of cooperatives as well as SOK and its subsidiaries. S Group provides services in the trades of grocery and consumer goods, service stations and fuels, tourism and hospitality, automobile and auto accessories as well as in the agricultural trade.

S Group's purpose is to produce services and benefits for its co-op members (27. on Global 300 list)

Pohjola is part of OP-Pohjola Group, the leading financial services group in Finland. OP-Pohjola Group is made up of some 200 member cooperative banks and OP-Pohjola Group Central Cooperative which they own, including its subsidiaries and closely related companies. Pohjola Bank plc is the Central Cooperative's most significant subsidiary acting as OP-Pohjola Group's central bank responsible for liquidity and international operations for the Group. (45. on Global 300 list.)



## **COLLABORATIVE ACTIONS**

**(ACCORDING TO BUSINESS TYPES, INTERVIEWS,)**

### **Trade (consumer)**

- To acquaint young people with the service industry
- To tell about the trade as a career and about working life
- Awards & scholarships to the best students
- Summer jobs for more than 6000 young people in Finland

### **Bank**

- Supporting wellbeing of students
- Donations to universities and other educational institutions
- Cooperation with Young Finland Association
- Trainees (trade school), summer jobs

### **Dairy**

- Sponsorships emphasis on responsibility on young people's wellbeing



## **Insurance**

- Funding, sponsorships
- Trainees, visits to schools
- Coaching teachers & students for insurance branch

## **Others**

- Trainees from trade school
- Actions according to school's needs when needed

Company	Collaboration	Motive	Target	Challenge	Added value	Future plans
1. Music	Concerts, Music projects	To learn real working	Help teachers & students	Lack of time for actions and planning, working with children & youngsters	PR, chance to play with big orchestras	Cooperation with kindergarten and preschools
2. Bank Initiatives from school	Sponsoring schools, partner school,, trainees	We do only what we have to do. Not interested.	To tell about financing/bank.	-	Nuisance. Someone has to have time to train them.	No plans. The main issue: banking, has come over the coop. Idea.
3. Electricity Initiative from school	Trainees from trade school,	Future workforce.	No special targets. When they come and ask, we organize something.	-	-	All depends from the students and schools. When we need workforce, we know where they are.
4. Insurance Initiative from school	Stipends, sponsoring, trainees, visits to schools. Entrep. Coaching. Collabor, with students and teachers.	Image. PR. Sommer jobs, workforce	To live with the surrounding community .	Mainly philanthropy. We do not wait for return.	Image, making known	To tell young people about cooperation and insurance business



Company	Collaboration	Motive	Target	Challenge	Added value	Future plans
5. Trade Initiatives from school.	Trade schools and universities. Trainees. Visits in schools.	We need skilled workforce. Latest information to teachers.	Find good workers, help schools to educate good workers.	To pick up the best employees. Teachers do not know very much real working life. There is no clear model how to operate with schools.	We have had possibility to influence on curriculum. PR & image.	More information to teachers about entrepreneurial society. We are emphasizing in cooperative principles for our future customer owners.
6. Bank Initiative from the bank.	We have a basic info pack for students about banking. Sponsorships for math competitions.	To deliver inform. about bank services for students. Workforce. Desire to develop the surrounding society according to coop. values.	We feel our CSR about educational institutions. Benefits for both sides Win-Win. Stipend for every graduating student in our town.	Lack of resources to make all good ideas for collaborative happen.	We live with our customers. In our town from birth to death. We know our customers.	We will continue to spread the notion of cooperation – that is our competitive edge.
7. Culturecampus We take initiative	Trade school, university of appl sc. Trainees. Entrepr. Projects. Offer new learning environment of entrepr.	To develop new entrepreneurial learning models. The idea of the entrepr. Of new wave.	To combine studying and working and deliver this new model to schools globally.	Networking. To get the new model known.	Growing network. Collaboration with educational institutions will increase.	More contacts from schools. Cooperative model makes this kind of operation possible.

Company	Collaboration	Motive	Target	Challenge	Added value	Future plans
8. Coaching Initiatives from school	Local industry center and trade school and high school	To give a "home" for students' cooperatives	To make the entrepreneurship easier for students.	To give a ready entrepreneurship platform for students	To see how eager the young people are to learn about entrepreneurship.	Coop idea is just one way to start a company; make it easier
9. Travelling & nature Initiative from school (teacher, facebook)	Local schools. Trainees from special school, and from foreign institutions., like travel & trade schools and management schools. Work-practicing..	To make our institution and Lapland well known as an international learning environment.	To get good students and skillful guides for our nature park (reindeer park).	Finnish teachers are not interested in their students compared to their foreign colleagues. Teachers do not know anything about the travelling business.	Well known company in Europe. Good experience for students.	To find a bigger "roof-organization" to help organizing the working periods suitable for students and us. We do not talk very much about cooperation model, but it is obvious that it is the best solution for us.
10. Bank Long history. Initiatives from both sides, mostly teachers.	Local comprehensive school and high school. Visits and presentations at schools. Sponsorships.	The headmaster of the high school is the member of bank's board of directors.	We will – according to our values – be living part of this society. Workforce.	We need tools, model and material for collaboration with school., for instance about cooperation and economy in general.	PR, good image	I feel that cooperation is very accurate today, give solutions for many problems. The greediness which can be seen in a society, can not be seen in cooperatives.



## ANALYZIS

- 50 largest cooperatives in Finland:
- 50 web-pages
- 7 CSR reports
- 3 companies point out young people or educational institution
- Small cooperatives had a link to the responsibility page of the "central firm"
- 10 SME coops interviews:
- Every company has various projects and programmes with students and schools



## KEY FINDINGS (1/3)

- **Motive**

- workforce, to tell about cooperation and branch
- PR & image
- to be a good citizen; help younger generation organize their future life

- **Target**

- skillful workforce
- to act according to the values
- to get students and teachers to know the working life and cooperative company form
- we have to be able to answer the challenges and expectations of the younger generation



## KEY FINDINGS (2/3)

- **Challenges:**
  - initiatives always from school
  - lack of time and resources for collaboration, planning and coaching
  - teachers do not know very much about entrepreneurship, or working society outside the school
  - lack of practical model, tools and material for collaboration with educational institutions
  - how to pick up the best future employees



## KEY FINDINGS (3/3)

- **Added value, benefits to the company**
  - good employer image
  - company well known
  - skilled workforce in the future
  - to get to know the young customers/coming members
  
  - chance to influence on the career choice of young people
  - possibility to pick up the best employee candidates
  - networking with stakeholders
  - to be a good citizen



## CONCLUSIONS (1/2)

- According to the *interviews* the cooperative values and principles seem to come true in collaboration with younger generation,  
**BUT**
- not in responsibility reports.
- Very few cooperatives publish CSR reports; only the big ones.
- Responsibility does not very often appear on cooperatives' web-pages
- According to interviews *all participative companies* had various projects with younger generation, like: sponsorships and funding for young people, support for hobbies, sports & culture, funding, visits to schools, visits to companies, projects, summer jobs etc.
- The initiatives mostly from school. Actions are often unplanned and occasional.



## CONCLUSION (2/2)

- The most important targets are workforce and good company image: to be a good citizen and to help young people to get acquainted with entrepreneurial society
- In most cases the values and principles are not discussed in collaboration with schools
- One big problem is lack of time and resources
- Teachers' knowledge about entrepreneurship or worklife outside the school is poor
- Companies want to have ready models, tools and material in order to effectively handle the collaboration with educational institutions





*” WE WANT TO KNOW OUR MEMBERS AND CUSTOMERS. WE WANT TO PARTICIPATE IN THE LIFE OF THE PEOPLE OF SURROUNDING SOCIETY FROM THE CRADLE TO THE GRAVE.”*

CEO of local Cooperative Bank in Lapland.