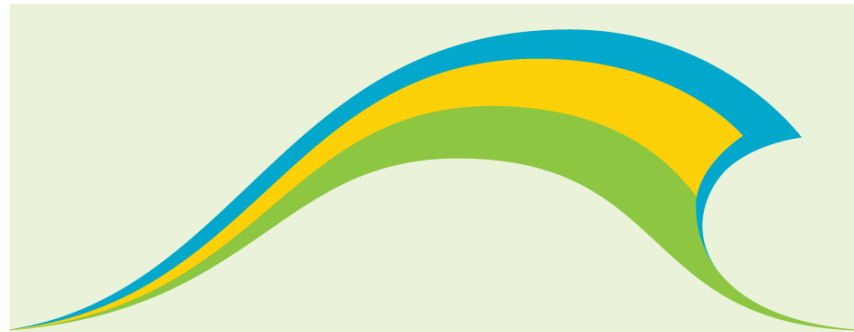


# Collective Entrepreneurship and Canada's New Co-operatives

Réseau de recherche pour mesurer la  
**DIFFÉRENCE COOPÉRATIVE**



Measuring the Co-operative Difference  
**RESEARCH NETWORK**

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## Research Focus

Why groups used the co-operative model—rather than investor-owned, private sector or non-profit organizational models—to meet the social, cultural, environmental, or economic needs of their members and communities.

1. How have Canadian co-operatives sought to meet their members' or communities' **social/cultural/economic/environmental needs** via the co-operative model?
2. What **advantages** does the co-operative model facilitate for meeting members' social/economic/cultural/environmental needs?
3. What are the **challenges** faced in starting-up or further developing a co-operative initiative, and why and how do co-operatives succeed or fail in overcoming these challenges?
4. What **innovations** have new or expanding co-operatives forged in order to offer both members and surrounding communities new or better ways of provisioning for their social/economic/cultural/environmental needs?

# Methodology: Grounded Theory and Triangulated, Mixed-methods Approach

- Interested in the lived-experiences of founders' of co-operatives
  - Grounded theory allows assessments of the data and findings to emerge from the data, rather than predetermining the data beforehand
- Methods
  - Survey (N= 66)
  - Interviews (N= 27 key respondents)
  - Focus Groups (2x2 FG, 50 participants)

# Some of the types of co-ops interviewed



- Renewable energy
- Communication
- Community opportunity co-op
- Services with people with disabilities
- Community health and homecare
- Organic foods and consumer co-ops (consumer and multistakeholder)
- Producer co-op (multistakeholder)
- Car sharing
- Farmers' markets
- Worker co-ops
- Business conversion to work co-op
- Cultural co-ops (musicians co-op, community theatre)
- Education-based co-op
- Funeral co-op

# What is Collective Entrepreneurship?

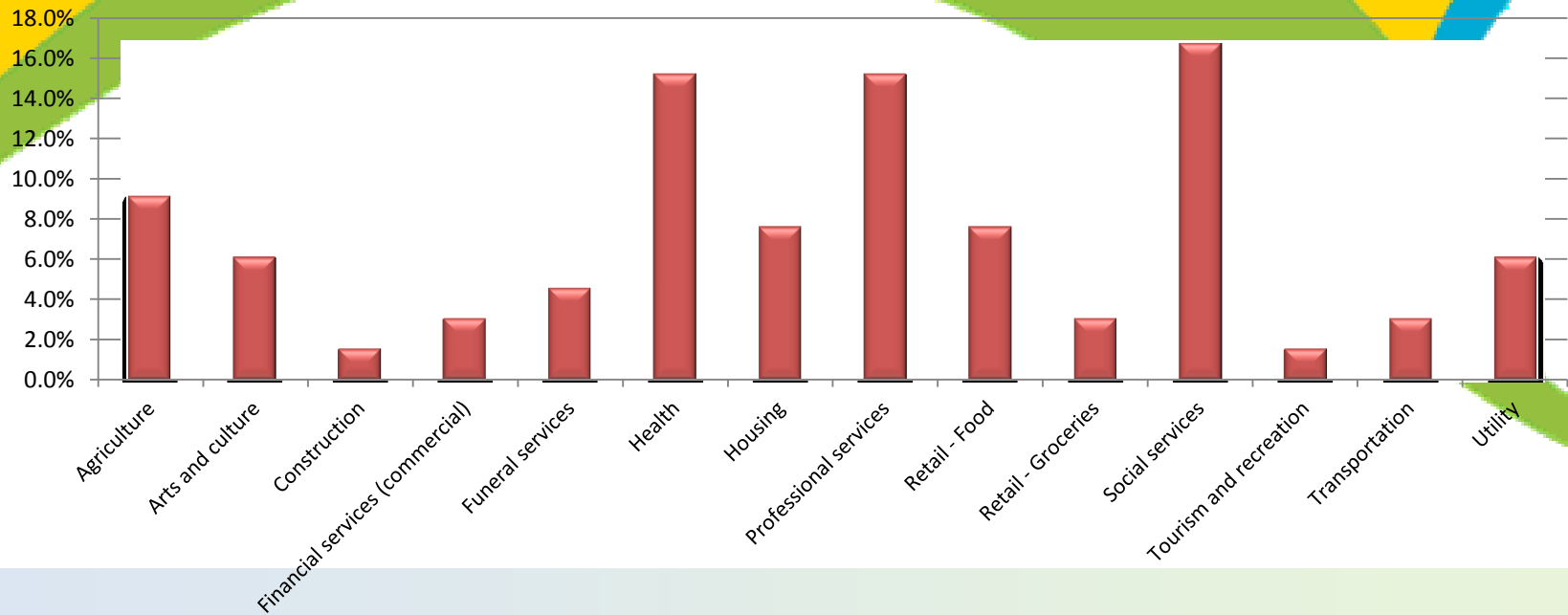
- Many of Canada's new co-ops show evidence of strong *collective entrepreneurship*.
- “Combines business risk and capital investment with the social values of collective action.” It exists “when collective action aims for the economic and social betterment of a locality...for the production of goods and services by an enterprise” (Connell, 1999, p. 19).
  - It is the combination of collective risk-taking, actions, and resource pooling rooted in socially driven values and objectives
- Co-operatives are the “clearest example of collective entrepreneurship” (p. 15).

# Collective Entrepreneurship and Social Movements

- Collective entrepreneurship is embedded in broader networks, initiatives, ideals, and even social movements.
  - “Social movements in civil society are closely linked to social entrepreneurial activity” (Spear, 2010, p. 1).
  - Co-operatives, one type of social business that has long been understood as emerging from or responding to the collective actions and demands to achieve social change (Craig, 1993; Delvetere, 1994, 1996; Diamantopolous, 2012; MacPherson, 2009; Spear, 2010).
- Three types of collective entrepreneurs:
  1. Insider collective entrepreneurialism (within social movements)
  2. Outsider collective entrepreneurialism (inspired by social movements)
  3. Social entrepreneurial activities that themselves inspire new social movements to emerge (e.g., micro-finance)

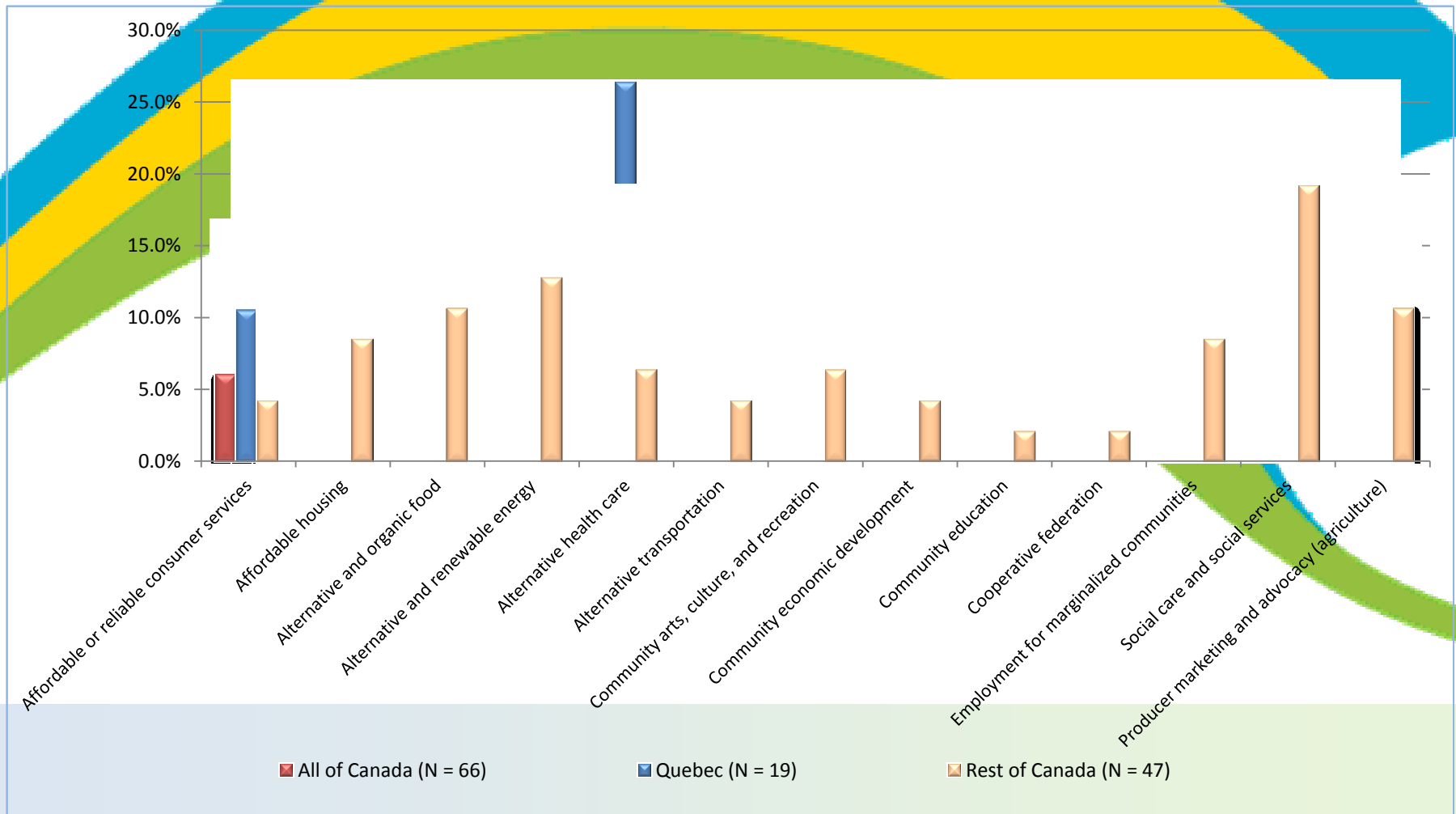
# Canada's New Cooperative Landscape – Economic Sectors

- Strongly focused on social objectives (outwardly focused to the community), rather than just “mutualistic” aims (inwardly focused on membership needs)





# Canada's New Cooperative Landscape – Main Motivators for Start-Up



# Three Emerging pathways for Co-operative Entrepreneurialism in Canada

1. **Community Economic Development Co-operatives**
  - Focused on community revitalization, needs, or socio-economic issues. Strong connections to other community organizations and/or social movements by founders. E.g., solidarity/multistakeholder co-ops with strong social objectives.
    - The Unleashing Local Capital initiative in Alberta. E.g., Crowsnest Opportunities Development Co-op (Dan Ohler, Seth Leon)
      - Examples of community opportunities development co-operatives
2. **Conversions of Businesses into Worker Co-operatives and Community Co-operatives**
  - Draw from already-existing funding mechanism and supports in order to “co-operativize” formerly investor-owned/private/for-profit businesses or save and revitalize community assets, initiatives, or spaces through the co-operative model.
    - Careforce Worker Co-operative in Nova Scotia (Joel Stoddart)
3. **Canada’s Social Enterprise Co-operatives**
  - Co-operatives that rely on some market activity but with strong social missions aimed at delivering particular goods and services to communities (marginalized or neglected in some way). Many of these are also “partnered” or “parented” social enterprises.
    - Eat Local Sudbury (Peggy Baillie)

# Conclusions: A Canadian Model of Collective and Cooperative Entrepreneurialism

- Co-ops are being used for meeting social, environmental, and community needs.
- Through market activity but with strong social objectives and partnerships.
- Despite lack of broad legislation and strong enabling environments.
  - Like Italy in the 1980s and 1990s, bottom-up organizing by multiple stakeholders gather together around the co-operative form.
- Supporting collective entrepreneurship for new co-op development:
  - Many challenges are still present
    - Paradoxes of funding, volunteering, membership diversity, and participative decision-making.
  - Co-op developers are an important source for overcoming these challenges (strong across Canada).
  - New national funding strategy in synch with local co-op and social movement leaders, co-op developers, and provincial apex orgs, that is flexible and responds to new co-ops' challenges and possibilities.
  - Emulate the Quebec model across Canada? Provincial and municipal initiatives, co-operative movement, and the social economy can buttress and embrace new co-op development
  - *Co-ops should be viewed as central to community economic and social development.*