

Governance of cooperatives: literature review's benchmark

Gouvernance des coopératives : analyse comparative de la littérature

RIAD Oumaima

Doctorante

ENCG-Agadir

Université Ibn Zohr

Equipe de recherche Ingenierie et Développement Durable

Maroc

Oumaimariad11@gmail.com

SAOUD Sahar

Enseignante chercheure

EST-Dakhla

Université Ibn Zohr

Equipe de recherche Ingenierie et Développement Durable

Maroc

S.saoud@uiz.ac.ma

AZAMI HASANI Khalid

Enseignant chercheur

Faculté pluridisciplinaire de Taza

Université Sidi Mohammed Ben Abdellah

Equipe de recherche Ingenierie et Développement Durable

Maroc

Khalid.azamihassani@gmail.com

Date submitted : 10/09/2023

Date of acceptance : 29/10/2023

To cite this article :

RIAD O. & al. (2023) «Governance of cooperatives: literature review's benchmark», Revue Internationale des Sciences de Gestion « Volume 6 : Numéro 4 » pp : 854 - 874

Abstract

This paper presents the theoretical contributions of cooperatives' governance. The theoretical literature of cooperatives' governance is undeveloped in comparison with that on corporate governance. In this vein, the paper proceeds to extract the points of convergence and divergence between the theoretical perspectives of cooperatives' governance based on 24 scientific studies in the fields. This Comparison allows to illustrate a theoretical framework of governance that concerns all cooperatives. Indeed, the main point of convergence is that the cooperatives' governance is based on the bringing together a set of theories of corporate governance even if they are contradictory: multi-paradigmatic paradox. According to the contributions, this paradox is explained differently but the principle of bringing together the theories of corporate governance remains the same. This leads us to make a critical reading of all the contributions that have studied the governance of cooperatives before and to propose our research perspectives which is the innovative value of this literature review.

Keywords: Participatory Governance; multi-paradigmatic paradox; three-dimensional approach; governance model; Double quality principle

Résumé

Cet article présente les apports théoriques de la gouvernance des coopératives. La littérature théorique sur la gouvernance des coopératives est sous-développée par rapport à celle sur la gouvernance d'entreprise. Dans cette optique, l'article procède à l'extraction des points de convergence et de divergence entre les perspectives théoriques de la gouvernance coopérative sur la base de 24 études scientifiques en domaine. Cette Comparaison permet d'illustrer un cadre théorique de gouvernance qui concerne toutes les coopératives. En effet, le principal point de convergence est que la gouvernance des coopératives repose sur le rapprochement d'un ensemble de théories de la gouvernance d'entreprise même si elles sont contradictoires : paradoxe multi-paradigmatique. Selon les contributions, ce paradoxe s'explique différemment mais le principe de rapprochement des théories du gouvernement d'entreprise reste le même. Ceci nous amène à faire une lecture critique de l'ensemble des contributions ayant étudié la gouvernance des coopératives auparavant et à proposer nos perspectives de recherche qui font la valeur innovante de cette revue de littérature.

Mots clés : Gouvernance participative ; paradoxe multi paradigmatique : approche tridimensionnelle ; modèle de gouvernance ; Principe de double qualité

Introduction

The cooperative is a business model of the social and solidarity economy (SSE) that is interested in the collective interest of its members. It plays a very important role in the development of the economy (Sami, et al., 2023). In 1835 Michel-Marie Derrion creates the first social grocery store, cooperative, in Lyon. According to his initiative, cooperatives have proven to play an emancipatory role in enabling the poorest segments of the population to participate in economic progress. They provide employment opportunities for those with skills but little or no capital and provide protection by organizing mutual assistance within communities.

As a result, in 1947 the status of the cooperative is defined in France. In this vein, the article 1 of the French law n° 47-1775 of September 10, 1947 defines the cooperative as follows: "The cooperative is a company constituted by several persons voluntarily joined together in order to satisfy their economic or social needs by their common effort and the implementation of the necessary means. It carries out its activity in all branches of human activity and respects the following principles: voluntary membership opens to all, democratic governance, economic participation of its members, training of its members and cooperation with other cooperatives. Unless special provisions are made for certain categories of cooperatives, each cooperative member, referred to as "associate" or "member", as the case may be, has one vote at the general assembly. »

According to the ICA, a cooperative is defined as: "...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".

The cooperative is a business model that separates the notion of ownership, determined by the value of the shares, from the power that influence the operation of the business. In this way, it promotes the democratic control of members (Lawrence Musiitwa et al, 2017). These democratic values are based on the principle of "one person, one vote", which gives each member a strong involvement and a very important presence in the decision-making mechanisms, which is not easily given to a shareholder in a capitalist company.

The limits of the classic governance model were revealed with the 2008 financial crisis, where managers are taking root and seeking their own interests to the detriment of the interests of stakeholders. In this context, the cooperative has shown its role of associating economic performance with the satisfaction of the collective interest of its members.

In the case of cooperatives, governance must protect members' interests and allow for democratic control by them while reflecting the values of the cooperative (Novkovic & Miner, 2015).

In the cooperative field, governance can be defined as a set of institutions, rules and practices that frame decision-making (El Moutaoukil & Sadik, 2015).

The governance of the cooperative is based on the democratic principle (one-person-one-vote): members participate directly through the GM or indirectly (elected as directors) in collective decision-making.

In this vein, the governance practiced within cooperatives is a participatory governance approach that is addressed in the framework of the relations between members and the cooperative with regard to decision-making (Mergoum & Hinti, 2016). In fact, participatory governance is seen as a set of interactions between members by the Board of Directors and the management of the cooperative. In addition, the importance of the precise definition of the members' roles and responsibilities within the cooperative helps to minimize conflicts of interest. Hence the importance of clarifying everyone's powers and rights as well as roles and responsibilities. Therefore, the determination of roles, powers and responsibilities is the basis of good cooperative governance.

Cooperatives have principles that are obviously based on democracy (the pre-eminence of man over capital, collective ownership, transparency in management, equity in the sharing of the cooperative surplus, equality of opportunity, solidarity and double quality (principle of double quality (Hiez, 2006)). These principles are opposed to the Anglo-Saxon model of governance that reigns over capitalist enterprises (Sadi & Moulin, 2014). They call for a specific governance model that differs from that of capitalist enterprises based on agency theory (Jensen, & Meckling, 1976). Agency problems allow to call for governance mechanisms to strengthen control and guarantee the interests that are generally different between the manager and the owner, which is not the case in cooperatives, where the principle of democracy and the double quality of cooperators is present. In fact, the role of governance within cooperatives is to create a dynamic partnership between management and owners in order to ensure the sustainability of the cooperative in the long term and to meet the needs of cooperators that go beyond maximizing financial value (Rijpens & Mertens, 2015). Therefore, the difference between the governance of capitalist enterprises and cooperatives is remarkable, and therefore the study of the theoretical framework of this type of social economy enterprise is essential. Which begs the question: How is governance in cooperatives

presented? Little research exists regarding the theories of cooperatives' governance. Answering this question will help to make a general framework for the governance of cooperatives by bringing together all the contributions of the authors studying this topic. In this vein our methodology will be based on 24 scientific studies discussing the framework of participative governance.

In this regards, we present in the first instance the theoretical framework of the governance of cooperatives. In the second instance we present a benchmark of all the contributions discussed in the first point and at the end we outline a critical reading of all theoretical perspectives that have studied the cooperative' governance before and then we discuss our research perspectives in order to propose solutions.

1. Research methodology

This analysis focuses on research on the governance of cooperatives in the field of management and organization of enterprises. It includes studies published between 1953 and 2019, from the emergence of cooperatives following the definition of their general status to the implementation of cooperative governance guides. The period 1960-1970 was characterized by a delay in the techniques of distribution of products to consumers. In the face of this problem, the socialists encouraged the cooperative movement to respond to the primary needs of consumers and to cope with delays in distribution. This was the phenomenon of the emergence of cooperatives and their success.

After the success of distribution cooperatives, the period 1970-1980 was marked by the creation of production cooperatives by the self-management movement, often following a company bankruptcy and based on the will of workers to continue an activity in which they believe. The period after 1973 was a period marked by global transformations and upheavals on a world scale, from the oil crisis to the financial scandals of the 2000s (Enron, Worldcom...). The cooperative was at the center of what was happening at the time and was affected by these crises. In this respect, in 2002 when the developed countries, namely the United States, England and the countries of central Europe, implemented a set of laws (the Sarbane Oxley Act, the Financial Security Act, etc.) to be followed to strengthen their governance system and minimize the risk of financial scandals, the cooperative was also concerned. So, since 2002, the International Labor Organization has been recommending the cooperative structuring of enterprises for decent work. In addition, the period after 2002 was a period development and emergence of the economy of several underdeveloped countries. This

period was marked by the importance of the social and solidarity economy in the growth of the economy and the fight against poverty, hence the encouragement of the cooperative movement which allows to reach the objective of sustainable development.

The review is based on systematic research undertaken specifically to understand this evolution from the emergence of cooperatives to the organization of their governance systems. The review used the Web of Science (WoS) citation index for social science and management citations and used keywords as search terms in the field of "cooperative". In selecting the articles to be included in the review, the use of keywords (cooperatives, participatory governance, governance model, etc.) resulted in 44 items from which we selected 24 scientific studies deemed relevant in terms of direct relationship to address our issue and which we cited in this paper. We excluded 22 elements including works from other similar sources from the review, although a number of them (Wirtz 2006; Billaudeau and Moysan 2019) were excluded as they do not answer our research question in a precise manner. Corporate governance in general is not included in the review because it constitutes a very large body of literature in its own right. The analysis of the collected material was undertaken in several stages, as follows: Developing a spreadsheet based mainly on summaries/ WoS lists has been established, classifying the documents under a heading number. These included obvious distinctions such as qualitative, quantitative and conceptual versus empirical data, but also served to highlight the peaks of leading authors and journals. The in-depth reading of the papers then served to complement and validate the emerging themes and to further delineate the field, allowing us to identify distinctions and debates. These were then used to structure our analysis and formed the basis of our theory and proposed to reconceptualize the field. As a means of interrogating the literature in the field of cooperative governance, and after an in-depth analysis of the 24 selected studies, it was found that the majority of them treat cooperative governance in a transversal way and do not go into detail. Indeed, they do not respond to our field of research, namely the theoretical framework of cooperatives' governance. In this respect we have drawn inspiration from the study by (Cornforth, 2004) which considers the theories of cooperatives' governance as a multi-paradigmatic paradox of corporate governance theories in general. The latter confirmed our finding that there is little work dealing with the theoretical framework of governance of cooperatives which names the author as an under theorization in the field. In order to face this ordeal (lack of studies in the field), we have based ourselves on the studies that confirm this finding and that have dealt with the subject of cooperatives' governance, namely the study by

(Sadi & Moulin, 2014) and (Saisset, 2016). The first considers the governance of cooperatives as a frame of reference that governs stakeholder relations within the cooperative based on relational contracts, the second defines the theoretical framework of cooperative' governance as a three-dimensional approach that brings together disciplinary, cognitive and partnership theories of corporate governance. We then carried out a benchmark (table 1) in which we distinguish the common points and the points of difference between the three contributions in terms of theorizing the governance of cooperatives, then we criticize each perspective separately to extract the one that encompasses most of the contributions of the three contributions and appears to be the most relevant in terms of reassembling theories of corporate governance to counteract the under-theorizing in the field. Then, after having chosen the most appropriate contribution, we discuss our research perspectives on cooperative governance which will be the innovative value of this synthesis and which will give a new theoretical insight in the field of cooperative governance while responding to our problem. This perspective study will be based on the literature review, the model of governance of the managerial enterprise proposed by (charreaux, 1997), the contribution of (wirtz, 2011) which criticized the contribution of charreaux and the guides to good governance.

In the light of these research perspectives, we are conducting our discussion on the fact that it is necessary to gather all the theories of corporate governance and adapt them to the case of cooperatives in order to reach all the governing bodies to maximize the best governance practices within the cooperative.

2.Theory

2.1 Theoretical framework of cooperatives' governance.

2.1.1 Governance of cooperatives: a paradox perspective.

The governance of cooperatives is relatively under- theorized compared to the governance of capitalist companies, where there is a large literature on corporate governance (Cornforth, 2004). He notes that « the governance of non-profit associations, and in particular cooperatives and mutual societies, is relatively under-theorized ». A variety of corporate governance theories have been proposed to understand the role of the board of directors of capitalist firms such as: agency theory, stewardship theory, stakeholder theory and managerial hegemony theory. These theories can also be used to understand the governance model of cooperatives as long as they are aligned with the basic principles of cooperatives, in particular the principle of democracy.

(Cornforth, 2004) confirms that the role of the board of directors can only be well realized through the articulation of several theories. According to the author, “each theory taken individually remains too one-dimensional and highlights only one particular aspect of the board's role”.

This explains why these theories should not be taken individually for the better understanding of the board of directors' roles. The author (Cornforth, 2004) confirms that these multiple theoretical perspectives taken together are useful in highlighting some of the paradoxes, ambiguities and tensions that boards of director face « multiparadigmatic paradoxes ». These tensions are:

- (1) The tension between board members acting as representatives of particular groups of members and the "experts" charged with managing organizational performance.
- (2) The tension between the roles of the board in advancing organizational performance and ensuring compliance.
- (3) The tension between the contrasting roles of directors' board in controlling and supporting management.

(Cornforth, 2004) emphasizes the importance of bringing all the theories together to form democratic governance and suggests that the governance of the co-operative should be based on a combination of the following models: (multi-paradigmatic paradox).

1. The democratic model: The key ideas and practices of this model are: open elections; pluralism; responsibility to the electorate; separation of elected members who make policy from the executive who implement policy decisions. The role of the Board of Directors' members is to represent the interests of the members of the organization. Expertise may be desirable but is not a central requirement, as is the case in some other perspectives on governance, such as the partnership model.

2. The compliance model: This model builds on the agency theory by modifying some functions of the theory in order not to contradict the cooperative principles defined by the ICA. According to this model, the main function of the board of directors is to control the manager, the importance of the directors' independence, the scope of the agency theory for cooperatives: The cooperators/members are the same ones. The author points out that the most important thing is not to confuse the compliance model with the agency theory. He explains that this model takes from the agency theory only the "principal-agent". Which means that within the cooperative there are the cooperators and the leader of the cooperative, hence the possibility of existing some conflicts of interest that are not similar to the conflicts

of interest existing in capitalist enterprises, because within the cooperative the leader is also a cooperator who only wants to work in the interests of his cooperative (principle of double quality). Therefore, the conflicts of interest highlighted by this model can be conflicts between a cooperator - stowaway¹ and a cooperator - worker manager. Consequently, the cooperative is also subject to the question of good governance but in a special way. Good governance in a cooperative can be a bit complex as it has to bring together economic performance and sustainability as well as the effectiveness of democratic and solidarity values.

3. partnership model: This model is based on the stewardship theory. Its basic principle is the importance of people over capital. According to this model, the role of the directors'board is rather strategic, it must improve the strategy and achieve performance. Therefore, directors must be competent, have expertise and contact to bring added value to the decisions of the organization. This model is suitable with cooperative democratic principles as it gives importance to human capital and considers the satisfaction of the general interest as its main objective.

4.Co-option model: This model is based on the resource dependency theory. It considers the main functions of the directors'board are to maintain good relations with stakeholders to ensure the flow of resources to the organization. The role of the board is to cross boundaries. Board members are selected for the important external connections and knowledge they can bring to the organization, and try to co-opt outside influences. The possibility for cooperatives to use their boards of directors to manage external dependencies is much more constraining than for private companies, because board members must be elected by the cooperating members. However, it is usually possible for cooperatives to co-opt board members to attract people with experience, contacts or skills.

5.The stakeholder model: This model is compatible with the basic principles of stakeholder theory, which emphasizes the importance of involving all stakeholders in decision making. This model confirms that there are constraints in member associations, such as cooperatives and mutuals, on the involvement of different stakeholders on boards of directors. However, within these constraints, the low participation of members and the lack of involvement of certain groups of members, such as women and youth on the boards of directors is very worrying. In response to these concerns, the Regional Assembly for Europe of the

International Co-operative Alliance recommended that co-operatives should revitalize member participation and elect more women to boards of directors, which is in line with the same principles and interest of stakeholder theory.

The author (Cornforth, 2004) has explained how existing theories of corporate governance can be extended to help the cooperatives' governance understanding. But it should be noted that each theory is too one-dimensional and only highlights one aspect of the role of the directors' board. The author argues that a paradox that draws on multiple theoretical perspectives (multi-paradigmatic paradox) is a promising approach to explain some of the tensions and ambiguities faced by boards of directors.

2.1.2 Governance as a contractual reference to manage relationships within cooperatives.

In a cooperative there are different stakeholders: members, managers, directors, employees and other stakeholders. Indeed, to deal with conflicts that may coexist, a regulatory framework is necessary to manage the relationships between all stakeholders.

Other authors (Sadi & Moulin, 2014) confirm the contributions of (Cornforth, 2004) in terms of bringing together all the theories of corporate governance in order to have an adequate theoretical framework for cooperatives in terms of governance. According to these authors, the role of the board of directors can only be well realized through the articulation of several theories.

Thus (Sadi & Moulin, 2014) confirm that the theoretical framework of cooperative governance is composed of three theories.

➤ Psychological contract

The first theory is the psychological contract which is in the form of a mental model that builds a strong relationship between the cooperators and the cooperative. This psychological contract is an informal contract that allows for behavioral cohesion and social identification of the cooperators. It is a contract that strengthens the relationship between the cooperative and the cooperators in terms of social climate, remuneration, learning, reciprocity, organizational support, equity, equality of opportunity, consideration, participation, and trust.

According to (Rousseau, 1990, 2001) the psychological contract is based on a mental representation (durable and stable) that allows the construction of the reality of the structure. This real representation of the structure gives credibility to the reciprocal obligations between the cooperative and the cooperators.

According to (Macneil, 1980, 1985) the psychological contract is based on two dimensions: the transactional dimension and the relational dimension. The complementarity of these two dimensions reinforces the social identification of the members, removes divergent interests and normalizes the behaviour of the cooperators in the structure.

(Sadi & Moulin, 2014) notes that « The operationalization of this type of contract in the governance mechanisms of cooperatives seems relevant to us. »

➤ Social contract

The second theory is the social contract that constructs the manager-cooperator relationship. This relationship is a partnership interaction regulated by relational norms. For this purpose, the social contract is a normative analysis grid of the relation between managers and cooperators.

(Ambroise and al, 2009) in their work on the theory of the social contract, have operationalized transactional and relational norms in the governance problems of classical firms. For them, the relationship between manager and shareholder is initially regulated by transactional norms but gradually tends towards a relationship regulated by relational norms. The dual quality of the managers in the cooperative explains the pre-eminence of relational norms in the relationship between managers and cooperators, in the sense that these managers are cooperators (principle of double quality). So automatically the interest will be collective and the conflicts of interest resulting from the agency theory disappear. In this context, the relationship between managers and cooperators will have a strong social dimension and will be regulated by shared relational norms.

➤ Stewardship theory

The third theory is the stewardship theory in which human relations are at the center of internal regulation. As mentioned above, this theory emphasizes the importance of human fulfillment on capital. It is opposed to the principles of agency theory. For this reason, the objective is the general interest and not individualism and opportunism. In fact, this theory is in line with the cooperative principles that give primacy to human resources over capital.

According to this theory, a manager is qualified as dynamic, does not require intensive control since he works for the general interest. In this theory, the steward and the cooperators reign in a relationship regulated by relational norms (Macneil, 1980), are partners who evolve in a collaborative framework that encourages innovation and mutual learning. As a result, the profile and role of the stewardship manager is suitable with the values and principles of cooperation.

Training and education are two very important aspects in the cooperative, they do not have the same importance in traditional firms. In this regard, (Cornforth, 2004) points out that the steward must be chosen for his expertise and contacts, so that he has the ability to add value to the organization's decisions.

It is quite remarkable that several authors confirm that the theoretical framework of cooperative governance cannot be based on a single theory, but it is a multi-paradigmatic field. The aim of the study by (Sadi & Moulin, 2014) is to operationalize some theories to make them constitutive theories of the cooperative governance model. According to the study by these two authors, it was found that the managers and executives of cooperatives and professional organizations in the sector were unanimous on the lack of tools and conceptual approaches adapted to cooperative principles. (Sadi & Moulin, 2014)) note that « Psychological contract theory has provided us with a mental model, which has been positioned at the center of collective action finalized by the fact that it binds the members of the structure through a strong socio-emotional bond and positively impacts their behaviour and interactions. The theory of the social contract enhances the psychological contract with relational and transactional norms that must organize the relationship of the managers with the members. Stewardship theory has provided us with a profile, role and beliefs of the stewardship manager consistent with the expectations of the mental model and the behavioral norms of the social contract ».

2.1.3 Governance of cooperatives, a three-dimensional approach

(Saïssset, 2016), points to the existence of a cooperative dilemma within agricultural cooperatives.

According to him (Saïssset, 2014) this dilemma is caused first by conflicts of interest between members, who most often have an individual short-term objective of maximizing the remuneration of their contributions, to the detriment of long-term investments, potentially financed by the cooperative's own funds. In addition, the directors have the collective objective of creating and maintaining value within the cooperative in order to be able to invest and develop the enterprise.

Faced with this cooperative dilemma, the board of directors, mainly the president, tends to act in conjunction with the director to balance the short-term individual interests of the members with the creation of long-term collective value inside the cooperatives. Beyond this cooperative dilemma of a disciplinary character, within the cooperative there are secondly

conflicts of a cognitive nature that influence the decision making of the board of directors due to an asymmetry of knowledge that disrupts the proper functioning and management of the cooperative.

Thirdly, within an agricultural cooperative there is a more open partnership dimension in which members cooperate with each other, an approach that is strongly linked to stakeholder theories (Freeman, 1984) and is inspired by the partnership governance developed by (Charreaux & Desbrières, 1998). In this case we speak of a network cooperative.

In this vein, the author (Saïssset, 2016) notes that the cooperative sector is moving from a transparent cooperative as a form of vertical integration (Phillips, 1953) to the "network cooperative" (Karantininis, 2007), via the cooperative as a contracts node (Staatz, 1987). Therefore, for a coherent theoretical framework of cooperative governance, the theories of corporate governance must be mobilized provided that they are adaptable to the cooperative principles of cooperatives (Ait el amria & Attouch, 2016).

In order to face this cooperative dilemma, the author relies on the study of (Gillan, 2006) who considers that cooperative governance is articulated around three main dimensions:

D1 : disciplinary dimension

D2 : cognitive dimension

D3: partnership dimension

Indeed, the author confirms the contribution of (Cornforth, 2004) in the importance of bringing together several theories of corporate governance in order to have a coherent theoretical framework for the governance of cooperatives.

In this vein, (Saïssset, 2016) considers that the governance of agricultural cooperatives is based on a three-dimensional approach that encompasses agency theory in the form of a disciplinary dimension, skills theory and alternative theories in the form of the cognitive dimension and stakeholder theory in the form of the partnership dimension.

For a good explication of this three-dimensional approach, the author (Saïssset, 2016) has carried out a review of the three conceptual dimensions of an adapted governance model for certain agricultural cooperatives, based on in-depth interviews with leaders (directors, but also presidents) on the themes of governance, investment strategy and performance.

The examination of the three dimensions yields the following results:

For the disciplinary governance according to the interviews, it is noted a kind of cooperative dilemma reported on the screen between the manager and the administrator. For some cooperatives the manager does not even have the delegation of signature this is given to

another administrator, for other cooperatives the delegation of power is very remarkable the management is 100% done by the manager. In terms of reporting, the elements communicated to the board of directors remains limited, which can create an asymmetry of information, hence the importance of the role of the auditor and the accountant.

Concerning partnership governance, for some cooperatives, the opening to the outside world is quite remarkable either at the level of open General Assemblies or at the level of marketing and banking. Some leaders say that a distinction must be made between true partnership governance and dependence on external resources. For them, no one has ever asked them to attend the Board of Directors. As far as the members are concerned, they must be present outside the General Assembly, so the meeting of the members three or more times a year is compulsory to discuss their needs. For the employees, this dimension is little integrated in the governance (absence of non-cooperating members: no participation in decision-making). On the other hand, some cooperatives are even involved in the creation of employers' groups.

For cognitive governance, the author looks at the costs of cognitive agency, resulting from the problems of asymmetry of knowledge, including the costs of mentoring (acquisition of skills) and conviction (pedagogy, explanation). The central problem is the difference in knowledge between the cooperating partners and the directors on the one hand, and on the other hand between the directors and the chairman-director duo as well as the other executives. This problem manifests itself at several levels but particularly at the time of material investment projects where the decision-making process is long and iterative.

The author (Saïssset, 2016) confirms that the three dimensions are intertwined and complementary, so this three-dimensional approach form an adapted model of cooperative governance.

2.2 Benchmarking of theoretical perspectives on the cooperatives' governance

This benchmarking tool aims to improve the understanding of the different theoretical perspectives mentioned above by making comparisons between them. Benchmarking is an important step in extracting points of convergence and divergence between the authors' contributions. This practice stems from knowledge management whose objective is to harmonize ideas and to detect interactions between contributions.

The following table [Table 1] presents a synthesis of all the authors' contributions explained to the screen and allows us to identify the common points between them:

Table n°1: Synthesis of the theoretical framework for the governance of cooperatives

The theoretical framework for the governance of cooperatives	Points of convergence between the different contributions	Point of divergence between the different contributions
<p>* the importance of bringing together all the theories to form a democratic governance, these theories are presented in the form of models: Democratic model Compliance model: agency theory Partnership Model: Stewardship Theory Co-option Model: Resource Dependence Theory Stakeholder Model : Stakeholder Theory</p>		
<p>*The governance of cooperatives is based on bringing together the following elements: - the theory of the psychological contract that promotes the relationship between the cooperators and the cooperative -the theory of the social contract that presents relational norms between the leader and the cooperators - the theory of stewardship: the pre-eminence of human capital over capital, the existence of a managerial steward who works for the maximization of the general interest for the reason of the existence of double quality principle</p>	<p>The gathering of a set of theories is indispensable: multi-paradigmatic paradox - the under-theorization of the theoretical framework of cooperative governance -the first two contributions, namely the theories presented in the form of a model and the contracts that govern the relationships between the stakeholders of the cooperative, can be included in the third contribution, which considers that the governance of cooperatives is based on a three-dimensional approach → explanation: The disciplinary dimension encompasses the compliance model (agency theory) and the social contract theory. The cognitive dimension encompasses the partnership model, the cooptation model and the stewardship theory (reference to alternative theories). The partnership dimension encompasses the stakeholder model and the theory of the psychological contract.</p>	<p>The main point of divergence between the three contributions is the title's nomination of the theories 'groupe presenting the theoretical model of cooperatives' governance: each of the authors gives a different title to his collection of governance's theories while based on the principle of multiparadigmatic paradox (gathering of a set of contradictory theories).</p>
<p>*Cooperative governance is based on a three-dimensional approach: Disciplinary dimension that allows for the resolution of interest' conflicts that may coexist between managers and co-operators (principle of agency theory) -Cognitive dimension that allows to solve cognitive conflicts that can coexist within the cooperative because of an asymmetry of knowledge and skills (principles of alternative theory). Partnership dimension, which allows all stakeholders to participate in decision-making and focus on the general interest (principle of stakeholder theory).</p>		

Source: Our selves

From the following table, it can be seen that the authors all agree on bringing together the theories of corporate governance and contextualizing them in relation to the context of cooperatives to develop a more coherent theoretical framework for governance. The contributions of each of them differ in the choice of theories to bring together.

3.Critical reading

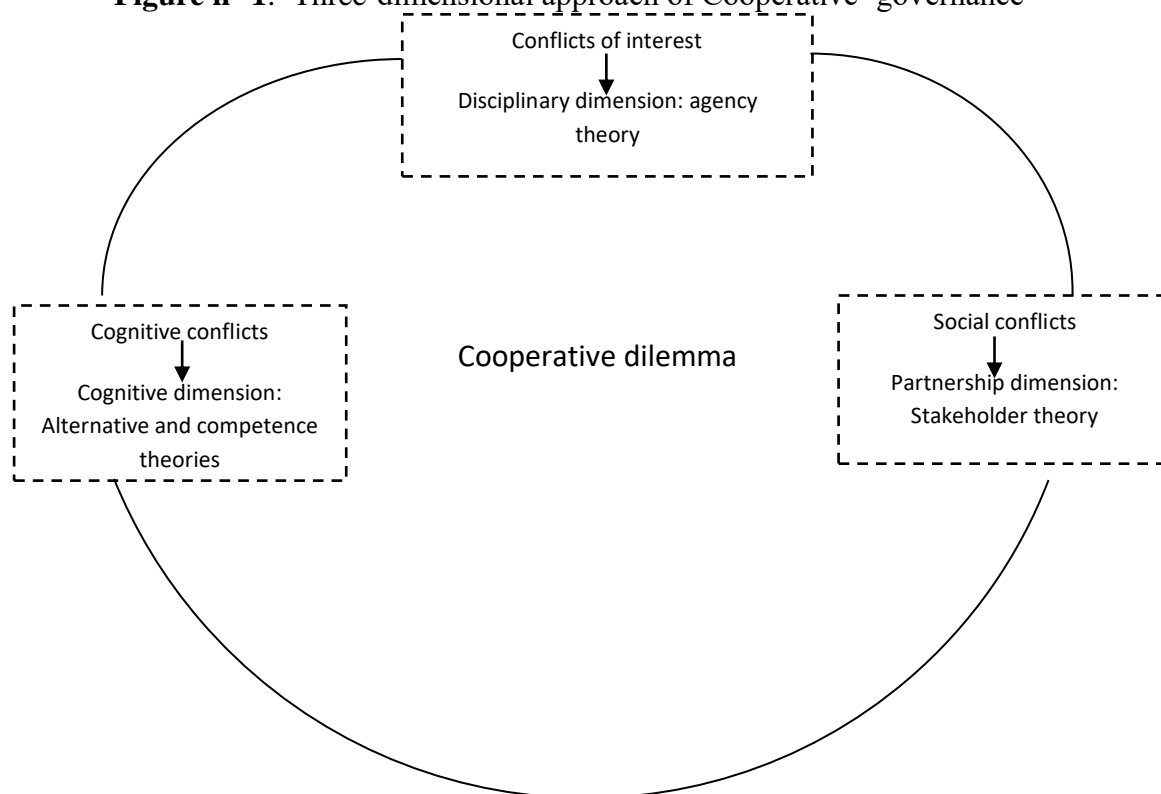
By analyzing the different contributions of the authors, we can see that they all agree on the need to bring together the different theories of corporate governance to have a coherent theoretical framework of governance adapted to all cooperatives.

It turned out that each of the authors took the existing theories of corporate governance and brought them together in their own way and gave them a nomination. According to the paradox perspective, the theoretical framework of cooperative governance is structured around the five models: the democratic, compliance, partnership, co-option and stakeholder models. All of these models draw on the theories of corporate governance just the nomination of each model that differs. Analyzing this gathering of theories, it appears that they are contradictory in the sense that some of them do not fit with the democratic principle of cooperatives. So here the author has shown the axis of use of the said theory in the framework of the cooperative such is the case for the compliance model inspired by the agency theory which is purely anti collective interest.

For a good regulation of relations within cooperatives, the cooperative' governance is based on three theories: the social contract theory, the psychological contract theory and the stewardship theory. The two authors do not justify the fact of not taking into account the other theories of corporate governance. For them, the three theories are largely sufficient to develop a theoretical framework for the governance of cooperatives since they emphasize the relational aspect between cooperator-cooperative-human capital. The two authors added the factor of the relational aspect in order to show its important rule if it is not well mastered generates conflicts of interest.

For the tree dimensional approach of cooperatives' governance, each dimension allows to face the cooperative dilemma (set of conflicts within cooperatives). Within each dimension there is a set of governance theories that are coherent with each other. These are the disciplinary dimension, the cognitive dimension and the partnership dimension. This choice of theory gathering is explained by the nature of each conflict. The following figure [Figure 1] illustrates the belonging of each type of conflict to the appropriate dimension and the governance theory adopted to deal with it.

Figure n° 1: Three-dimensional approach of Cooperative' governance



Source: Ourselves

The author has justified his choice of gathering theory, comparing it with other authors. he has clearly specified with his three-dimensional approach that each theory serves to disclaimer a nature of conflict within cooperatives and therefore govern all the powers involved in the cooperative.

To sum up, it is remarkable that the governance of cooperatives is under theorized due to the limited existence of researchs dealing with the theoretical framework of this type of enterprise. According to the analysis of some studies that have defined the theoretical aspect of the cooperatives' governance, it turned out that the point in common between them is to bring together a set of theories to trace the governance of cooperatives. This said that the unidimensional character of each theory does not allow to frame the cooperatives' governance. Consequently, it is necessary to bring together all the existing theories of governance within the framework of corporate governance, even if they are contradictory, but they remain complementary in order to respond to the cooperative principles and face the cooperative dilemma.

4. Research perspectives

4.1. The first perspective: Propose a new theoretical model for the cooperative' governance

Thanks to the analysis of the different contributions that have studied the governance of cooperatives from a theoretical point of view, it is remarkable that the first two contributions, namely the theories presented in the form of a model (Cornforth, 2004) and the contracts (Sadi & Moulin, 2014) that govern relations between the stakeholders of the cooperative can be included in the third contribution (Saïssset, 2016) is based on the contribution of (Gillan 2006), which considers that the governance of cooperatives is based on a three-dimensional approach. In this vein, the disciplinary dimension includes the compliance model (agency theory) and the social contract theory. The cognitive dimension includes the partnership model, the cooptation model and the stewardship theory (reference to alternative theories). The partnership dimension includes the stakeholder model and psychological contract theory. Consequently, our proposed theoretical model will be inspired by these three theoretical contributions based on the three-dimensional approach (Saïssset, 2016) as it encompasses these different contributions. Moreover, in order to give an innovative value to our model and to respect the cooperative standards and principles, we decide to be inspired by a guide for the governance of cooperatives. These are mainly (Coop de France, 2019) chaired by Dominique Chargé, launched a governance guide for good governance practices for cooperatives under the theme "cooperatives, a dynamic model in a continuous improvement process". This new tool made it possible to formalize existing best practices with the aim of giving them visibility and deploying them as widely as possible. In addition, to give a good presentation of our model, we have based ourselves on the Charreaux corporate governance model which divides in two types specific/non-specific intentional mechanisms and specific/non-specific spontaneous mechanisms (Charreaux, 1997). Based on extensive research, it turned out that the way of presenting corporate governance by Charreaux was criticized by Wirtz in 2011 (Wirtz, 2011). According to his contribution, he stresses the importance of integrating the cognitive dimension alongside the different mechanisms proposed by Charreaux and which are, according to him, purely disciplinary. In this respect, and given that our new model is inspired by the three-dimensional approach of Saïssset (disciplinary, cognitive and partnership dimension), we will take into consideration the presentation the corporate governance model proposed by Wirtz to refine our model.

That said, our proposition will be based on a three-dimensional approach based on the democratic principles cited by the guide to governance of cooperatives and presented in the form of wirtz's model of corporate governance.

4.2. The second perspective: Test the adaptability of the proposed model with cooperative' governance systems

Once the governance model for cooperatives is proposed, it is important to test it on a few cooperatives to see how adaptable it is. To do this, we plan to conduct a documentary study of the reports of general meetings of a randomly selected sample of some Moroccan cooperatives. The objective is to study the mode of governance of these cooperatives based on the three dimensions of our model. The aim is to verify the existence of the governance mechanisms cited in the model in the cooperatives' governance system, by studying dimension by dimension in order to calculate the degree of adaptability of the model proposed by the cooperatives subject of our study. In this respect, we will count the number of mechanisms used for each dimension, we will calculate the average for each dimension and then the overall average of the three dimensions. In addition, we will look for other mechanisms used by the cooperatives and not included in our model, which we can add to align our proposed model to the Moroccan context.

Conclusion

To conclude, this work presented a theoretical perspective of cooperatives governance. It described the theoretical framework of cooperative governance as an under-theoretical framework marked by the intervention of a few authors. It showed how the use of corporate governance theories can address the problem of under-theorization. In this vein, by analyzing the theoretical perspectives of the authors, the paper extracted the common point between the different contributions. It is the bringing together of several theories of corporate governance to have a coherent theoretical framework for cooperatives. In addition, the benchmarking of the contributions has allowed a good understanding of the existing differences. Furthermore, our managerial and scientific implications of this research lie in describing each perspective to appear that they are different but in reality, they are articulated around the same vision, the theories cooperatives' governance represents a multi-paradigmatic paradox in the fact that they all come together even if they are contradictory. So, the perspective research is to verify the reliability of this multi-paradigmatic paradox. But to do this verification, we need more

in-depth, longitudinal case studies that examine the dynamics of the relationship between boards of directors and management, and how to they try to solve the problems and dilemmas they face.

REFERENCES

- Ait el amria, F ; Attouch, H. (2016). The governance of cooperatives : a zoom on the specificity. *Journal of economics, management and society*, issue 7.
- Coop de France. (2019). *Guide de gouvernance , les bonnes pratiques des coopératives agricoles*. Février 20. <https://doi.org/10.1177/1473779516666006>
- Cornforth, C. (2004). The Governance of cooperatives and mutual associations: A paradox perspective. *Annals of Public and Cooperative Economics*, 75(1), 11–32. <https://doi.org/10.1111/j.1467-8292.2004.00241.x>
- Jensen, C., & Meckling, H. (1976). *THEORY OF THE FIRM : MANAGERIAL BEHAVIOR , AGENCY COSTS AND OWNERSHIP STRUCTURE I . Introduction and summary In this paper WC draw on recent progress in the theory of (1) property rights , firm . In addition to tying together elements of the theory of e. 3*, 305–360.
- Sadi, N., & Moulin, F. (2014). Gouvernance coopérative : un éclairage théorique. *Revue Internationale de l'économie Sociale*, 333.
- Saïssset, L.-A. (2016). Les trois dimensions de la gouvernance coopérative agricole. *Recma*, N° 339(1), 19–36. https://www.cairn.info/revue-recma-2016-1-page-19.htm%0Ahttps://www.cairn.info/load_pdf.php?ID_ARTICLE=RECMA_339_0019&download=1%0Afiles/7239/revue-recma-2016-1-page-19.html
- Sami, K., & Elbayed Hicham. (2023). La promotion des énergies renouvelables au Maroc comme levier de l ' attractivité des investissements direct étrangers : une analyse empirique The promotion of renewable energy in morocco as a lever for the attractiveness of foreign direct investment : an. *Revue Française d'Economie et de Gestion*, 4(10), 181–205.

FOOTNOTES

¹ International Cooperative Alliance

²General Meeting

³a cooperator who does not add value to the cooperative