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Does Cooperation Equal Utopia?

- A Qualitative Study of the Organisational Cultures of Three Worker Cooperatives in the San Francisco Bay Area -

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Abstract

By means of qualitative analysis, this paper examines the organisational cultures underlying three worker cooperatives in the San Francisco Bay Area. 20 workers were interviewed and the transcripts were subsequently analysed along Edgar Schein's cultural framework. The findings show that overall the culture of these worker cooperatives is people-centred: the wellbeing of the workers comes first and the concern for making a profit comes only second. This is expressed through three underlying assumptions: agency; the fact that workers actively take part in their working lives; authenticity, the notion that workers prefer and honest and humane approach to work; and belonging, the need for being part of a thriving community of both workers and oftentimes also customers.

Introduction and Literature Review

In the imagined utopia, people work and live together closely and cooperatively, in a social order that is self-created and self-chosen rather than externally imposed [...]. Utopia is held together by commitment rather than coercion, for in utopia what people want to do is the same as what they have to do; the interests of the individuals are congruent with the interests of the group; and personal growth and freedom entail responsibility for others. Underlying the vision of utopia is the assumption that harmony, cooperation, and mutuality of interests are natural to human existence rather than conflict, competition, and exploitation, which arise only in imperfect societies. (Kanter 1972:1)

For many people, our modern society is far from being this land of plenty as described above. Especially our current workplaces seem to be far from this ideal, which in turn has stimulated authors such as Ulrich Beck (2000) Richard Sennett (1998) and Alain De Botton (2009) to write extensively about the flaws and faults of the modern work environment. Reading through their accounts on the current working conditions it seems that our workplaces are,

amongst others things, displaying the following deficiencies: workers feeling alienated from their work; employees being treated like expendable commodities; the need to engage in a constant rat race of high-performance and instant delivery as well as little or no job stability. With such apocalyptical accounts lingering over our working lives, a place like utopia seems to be almost entirely out of reach. Nevertheless, some optimistic workers have not given up hope and have come to formulate a hypothesis that might bring us closer than ever to this place called utopia. In order to test their hypothesis, they have devised an intriguing experiment: the worker-owned and worker-operated cooperative. And indeed, the principles underlying such businesses are echoing many of the concepts entailed in this notion of a utopian society. Moreover, many people who have visited such a worker cooperative will most likely have gained the impression that without a doubt, something is different there: the workers seem to be happier; they seem to be more involved in their work and they even seem to care about what they are doing. In light of the above observations, the present paper sets out to put this phenomenon of the worker-cooperative under the magnifying glass. The focus shall not be on of how a cooperative business operates, but this study rather aims to understand more about the psycho-sociological factors that attract people to work at such a business; one way to achieve this is to closer analyse the overall culture underlying such businesses. Having said this, the present study has examined three worker cooperatives in the San Francisco Bay Area.[1]

In the paragraphs to come, this paper will first briefly highlight the history and the underlying values of the cooperative movement. Then the notion of employee empowerment and especially the concept of participation are being examined, followed by an introduction to the concept of organisational culture. Subsequently, the author explains the research design and

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[1] Please refer to Appendix I for a more detailed description of these three cooperatives.

methodology of the present study. Thereafter, the author will present the findings and discuss the most central results. A critical assessment of the overall study will conclude this report.

The Cooperative Movement

The longing for a 'just, democratic and cooperative society' (Rothschild 2000:196) has been timeless. The first documented cooperatives appeared as small grassroots organisations in Western Europe, Northern America and Japan (Cheney 1999) and historically they often surfaced as a 'countercyclical response' (Dickstein 1991) to economic downturns. In fact, it was such an economic crisis that motivated Robert Owen, a Scottish industrialist and philanthropist, to establish his Utopian communities during the 19th century in both Britain and the United States (Williams 2007). These Utopian communities were based on, what were then radical socialist principles, such as aiming to improve the working conditions, educating the workers, restricting child labour as well as advancing women's rights (Mellor, Stirling et al. 1988). Although Owen's communities were only short-lived, his teachings and beliefs nevertheless inspired the establishment of thousands of cooperatives all over the world (Williams 2007).

A particularly inspiring cooperative was a grocery store in Rochdale, Northern England, which is nowadays heralded as the prototype of modern cooperative society: in 1844 a group of 28 weavers was facing wretched working conditions and extremely low wages and they decided that by pooling their scarce resources and working together they could get hold of the basic goods - such as oatmeal, sugar butter and flour - at more accessible prices and then sell them at fair prices to their fellow community members. This group of artisans agreed early on that customers should be treated with 'honesty, openness and respect' (ICA 2009).

Furthermore, the customers were not only given the chance to receive a share in the profits but they were also given a democratic right to vote on basic business decisions. Thus, the customers could not only enjoy buying fair-priced goods, but they also had a genuine stake in the business. The principles underpinning the innovative and revolutionary Rochdale Equitable Pioneers Society are nowadays perpetuated in the '*Rochdale Principles of Cooperation*' (Williams 2007) and form the basic foundation for most cooperatives. The seven principles are as follows:

1. Voluntary and Open Membership;

2. Democratic Member Control (one member, one share, one vote);

3. Member Economic Participation;

4. Autonomy and Independence;

5. Education, Training and Information;

6. Cooperation among Cooperatives;

7. Concern for Community.

Since the establishment of these early co-ops, the field of cooperative undertakings has diversified tremendously. The common denominator, among these different offspring is the concern to 'consciously pursue *A Third Way* between rigidly centralized socialism and unruly and often inhumane capitalism' (Cheney 2007: xiv, emphasis in original). For the purpose of this report though, the most important distinction to be drawn is the one between a worker cooperative and a consumer cooperative: the Rochdale Equitable Pioneers Society is an example of the latter kind, meaning its customers collectively own the business (Cheney 1999). A worker cooperative, on the other hand, is a business that is collectively owned and democratically managed by its workforce (Whyte and Whyte 1991). Successful examples of worker-owned businesses are the department store John Lewis in the UK and the Mondragón cooperative complex in Spain.

Towards an Empowered Workforce

Over the last decades there has been a movement against bureaucracy and towards greater autonomy and participation in the workplace (Rothschild and Russell 1986). In fact, management consultants have come to realise the deficiencies of the disempowering effects that come along with the bureaucratic structures prevailing in most organisations. Many new management strategies are thus now aiming at giving employees more stakes in their working lives. The interest in such business alternatives finds much of its anchoring in the optimism that empowering employees would lead to more favourable worker attitudes; strengthen industrial democracy and enhance firm performance (Winther 1998; Pierce, Kostova et al. 2001; Pierce and Rodgers 2004). One concept has especially been advocated as having the potential to achieve the above-mentioned outcomes: participation management. Quality of Work Life (QWL) and partnership (Mohr and Zoghi 2008), for instance, are attempts to reduce or even break down the highly bureaucratised structures of many high-profile businesses. These countertrends to the traditional economic model are unified in that they are based on the same 'Zeitgeist' (Rothschild and Russell 1986), namely to recreate businesses on a more 'human scale' (ibid.) as well as 'giving people at all ranks greater power over the organisation's process and product' (Rothschild and Russell 1986:308).

Participation and Job Satisfaction

Involvement in the working process can make a big difference in the perceived job satisfaction of employees (Joensson 2008). As a matter of fact, ever since Kurt Lewin (1948) discovered the importance of participation in changing people's attitudes and behaviours, the

value of worker involvement has gained much momentum in the organizational research literature. Multiple studies indicate that the benefits of worker participation and involvement are said to lead to increases in workers' loyalty, motivation, satisfaction, and self-esteem (David, William et al. 2008; Mohr and Zoghi 2008). Moreover, true participation by workers draws out greater engagement in the work and augments commitment to the workplace (Rothschild 2000), as well as increases trust between management and the workforce (David, William et al. 2008). Also, involvement of the workers may lead to decreases in resistance to change processes (Lawrence 1969). In the UK, worker involvement is often referred to as partnership as opposed to involvement or participation (Mohr and Zoghi 2008). This slight difference in terminology makes good sense, especially from a psychological standpoint: partnership implies reciprocity and equal contributions between management and employees, while participation and involvement is more unidirectional in the sense that management "allows" employees to get involved or participate.

Whichever term one prefers, the common denominator of these techniques is to enhance the employees' social identification. In organisations, social identification is concerned with workers' appreciation and assessments of their belongingness to organisations and subgroups (Joensson 2008). Fuller, Hester et al. (2006) confirmed that there is a positive correlation between workers' involvement in decision-making processes and social identification. Resulting from these findings, organisations are increasingly implementing an array of business practises that are based upon employee participation, such as Total Quality Management, Total Participative Management, Self-directed Work Teams, Continuous Improvement and Problem-solving Groups (Rothschild and Russell 1986; Cheney 1999). Such people-centred initiatives create 'niches' (Rothschild and Russell 1986) within the

bureaucratic structure that aim at empowering employees by shortcutting the usually hierarchically organised channels of communication.

Critics of the participation movement have voiced their opinions in four areas: firstly, sceptics point to the ulterior motives on the management side of the organisations. They argue that the typical management approach focuses on participation as a tool to increase the worker's attachment and allegiance to their organisations (Joensson 2008). Thus, the ultimate motive for implementing such business strategies is for the sake of gains in productivity and not for the sake of improving the human condition (Rothschild and Russell 1986). Second, critics of the participation movement say that it runs counter to the traditional role of trade unions, mostly because it interferes with their independence from management (Gall 2001). Third, other critics are pointing to studies that show that participation not always have the above-mentioned positive outcomes (Kelly 1996). As a matter of fact, some people dislike working in teams and being involved in the decision-making process; they would rather remain working in the traditional workplace. This resistance often stems from the fact that high-involvement jobs often lead to work intensification and increased responsibility (Thompson and McHugh 1990). Lastly, participation is often only implemented on a rather superficial level, meaning that management is involving the employees in menial or insignificant decisions, such as how the office could be redecorated or what the next staff party should look like (Pierce et al. 2001).

Taking these criticisms into account, it becomes clear that espousing the idea of worker involvement by itself is not the panacea for solving the conundrum of the perfect business where happy employees and profits go hand in hand. Nevertheless, in an attempt to improve the employees' conditions, Rothschild (1986) urges businesses to adopt a more humanistic

approach that subscribes equally to making profits as well human growth and satisfaction of social needs. In order for such a fundamental change in the value system to take place, it needs to be firmly anchored in an organisation's culture. Yet, this is not an easy task, as the following section will show.

Organisational Culture

The term organisational culture has been derived metaphorically from the notion of cultivation, i.e. 'the process of tilling and developing land' (Morgan 2006). In anthropological terms, culture encompasses all human phenomena that are not solely determined by human genetics, such as a civilization's knowledge system, its ideology, values, laws, as well as a society's day-to-day rituals (Morgan 2006). In the 1980's this anthropological notion of culture was transplanted into the realm of organisational studies. Organisations, it was announced, have unique cultures too and some cultures are better suited to profit-making than others. This idea first became popular when the American economy struggled against the increasing competition of Japanese companies on the local market. It was concluded that the Japanese had been able to win the war on the market place only because of their superior business culture and their general way-of-life (Morgan 2006). Western theorists quickly reacted and published management books like William Ouchi's "Theory Z" or Tom Peters and Robert Waterman's "In Search of Excellence" in which the authors explained how Western businesses should change their organisation's cultures to stay competitive (Morgan 2006).

The academic study of organisational cultures has its roots in the symbolic-interactionism movements of the 1960's and the recognition of symbolic aspects in organised settings (Smircich 1983). Symbols are fundamental to organisational life, such a company's logo or the way one talks in a given company. For the successful integration of such symbols, though, every member of a given community or organisation has to interpret the symbols the same way, otherwise this can lead to ambiguity and disorientation. As of today, academics have not found a definition for an organisational culture that everybody agrees upon, yet the notion of *sharing* is central to most of them. Edgar Schein, whose theoretical concepts are laying the foundation for the present study, defines an organisation's culture as
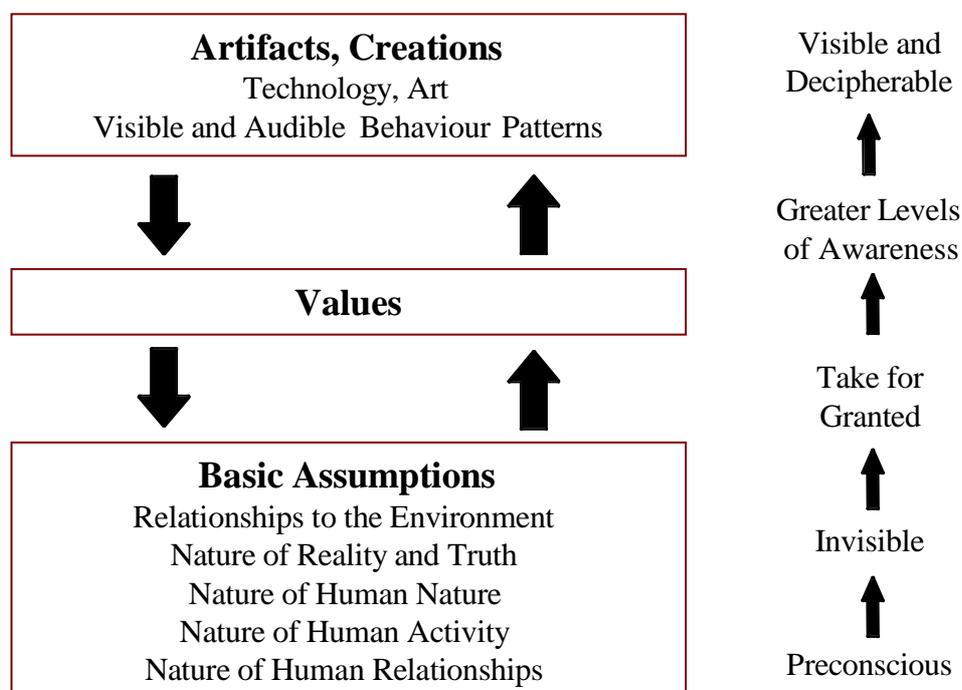
> *a pattern of shared basic assumptions that the group learned as it solved its problems of external adaptation and internal integration, that has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems (Schein 2004:12).*

There are three concepts in Schein's cultural theory upon which an organisation's culture is based: *basic assumptions*, *espoused values*, and *cultural artifacts*. Schein defines *basic assumptions* as deep-seated, taken-for-granted beliefs, perceptions, thoughts and feelings about how the company works (Schein 2004). These assumptions exist out of ordinary awareness and are thus inaccessible to our consciousness. As a matter of fact, they only emerge when they're interrupted, such as when a person growing up in America travels to England and is almost hit by a car approaching from the right as opposed to the left. In organisations assumptions are held, for example, about the nature of human activity, about the nature of reality and truth or about the relationships to the environment (Schein 2004). The underlying or basic assumptions are forming the vital source for a company's *espoused values*. Over the course of the company's existence, a value-system has become

institutionalized which dictates the actions that are acceptable or not in order to reach a certain goal. Oftentimes a company's values are publicised in the mission statement, yet, one needs to be careful with such written values, as they often are not lived out in practice. Argyris (1978) made the difference between espoused theories and theories-in-use; the latter being the values that are actually at work in the day-to-day life of the organisation, which may very well differ from the values that are being preached. Ideally though, the true value system is an extension of a company's shared basic assumptions. *Artifacts*, according to Schein, are physical manifestations (dress, technology, spatial layout), behavioural manifestations (rituals) or verbal manifestations (stories, metaphors). Thus, artifacts are the visible, tangible and audible expressions of cultural norms, values and assumptions.

SCHEINS MODEL*

Three Levels of Culture

Artifacts, Creations Technology, Art Visible and Audible Behaviour Patterns	Visible and Decipherable
⬇ ⬆	⬆
Values	Greater Levels of Awareness
⬇ ⬆	⬆ Take for Granted
Basic Assumptions Relationships to the Environment Nature of Reality and Truth Nature of Human Nature Nature of Human Activity Nature of Human Relationships	⬆ Invisible ⬆ Preconscious

* Edgar Schein (1985) Organizational Culture and Leadership John Wiley and Sons

It should be noted that an organisation's culture is not something that one can create overnight. Just like human communities, organisational cultures have to grow and develop over many years. Oftentimes the company's founders have profoundly influenced an organisation's culture and Schein (2004) even goes so far as to say that culture and leadership are two sides of the same coin. Having said this, it should also be noted that cultures never cease to develop; they're not static. This leads to an important extension of the earlier stated function of culture: cultures are not only here to guide our behaviour, they are also constantly being 'enacted and created' (Schein 2004) by our exchanges and interactions with others. In other words, culture is understood as a fluid, ongoing, and proactive process of reality construction (Morgan 2006). Despite this fluid character of organisational cultures, they are not easy to change either. Quite the opposite, the shared assumptions that Schein talks about in his definition are – depending on how long the company has been in existence – very hard to change, since they form the basis on which all individual and organisational behaviour is justified.

Having now explained both the theoretical background and the conceptual framework, the question that guided the present study is as follows: What is it about the culture of the three worker cooperatives examined in this study, that makes their workers seem to be much more content than the employees at more traditional organisations?

Research Design

Despite a few notable exceptions (Jackall and Levin 1984; Meyers 2004), the existing literature on cooperatives is very scarce on both qualitative studies as well as cultural

analyses that give insights into the social and psychological processes underlying cooperative businesses. Most studies on cooperatives address strategic issues, such as how this type of business operates differently from any other kind of business, but they largely fail to give insights into the underlying social and psychological factors that are at work when people engage in cooperative work. Thus, in order to partially fill this gap and to further explore the aforementioned field of cooperative undertakings in more depth, a qualitative research agenda was considered to be most useful. In general, cultural studies are primarily based on a subjectivist approach, meaning the researcher is trying to gain an understanding of a particular organisation's "way-of-doing-things" by discovering how employees and managers alike are experiencing, constructing and interpreting their working realities (Garcia 2008).

Moreover, qualitative research, as opposed to quantitative research, is not necessarily interested in confirming and quantifying already established categories, but it is rather concerned with maximising the 'variety of the unknown phenomena' (Bauer and Aarts 2000:33). Similarly, the present study is not trying to match or validate any already existing categories within the field of research on worker cooperatives, but it is rather trying to establish new typifications by trying to understand the social realities of the participants (ibid). In fact, these individually constructed social realities are hard to capture by crunching numbers and evaluating surveys, but are best identified by using "soft" research methods such as in-depth interviews, focus groups or other kinds of textual or visual data (Gaskell 2000).

The Sampling of Respondents and Corpus Construction

As stated before, qualitative research is not based upon representative sampling but aims at maximising the variety of representations. Thus, when it came to selecting participants, the rationale was not to find workers that would match any given social indexes such as gender, age, ethnicity or job title, but rather to find participants that would be able to give valuable insights into the range of opinions and beliefs among workers in cooperative businesses. Given the nature of the three cooperatives involved in this project, none of them is based on any formal hierarchies. This leads to the fact that workers are not identified by their job title per se, but rather by their overall contribution to the business. Due to these unique circumstances, the potential pool of participants was thus the entirety of the workforce of the business.

The original plan was to interview workers at only two cooperatives in the San Francisco Bay area: the Cheeseboard Collective in Berkeley and Arizmendi Bakery in San Francisco. Several months before the data collection, the researcher thus contacted the two businesses via the email addresses provided on their respective websites. In the email the researcher briefly stated the purpose of the study and attached a more extensive research proposal.[2] Resulting from this initial communication, a total of eight workers volunteered to participate in face-to-face interviews. The interested participants were then individually contacted and interviews were scheduled for mid-April of 2009. Due to the unexpectedly low outcome of interview volunteers, the researcher then approached a third worker-cooperative, Rainbow Grocery in San Francisco, where he then recruited another three volunteers. Once the researcher was physically in the Bay Area, he then recruited another ten participants by

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[2] Please refer to Appendix II for the contact email and the research proposal.

means of snowball sampling; meaning the researcher asked the existing participants to recommend and possibly contact workers that they would think would be able to provide more useful information. In the end, the data corpus consisted of a pool of 20 interviews. Towards the final interviews little additional information emerged and it was deemed that a level of saturation had been reached (Bauer & Aarts, 2000).

Design of instruments

The following section will briefly address the structure of the topic guide. The fact that only few studies have addressed the organisational cultures of cooperative businesses, the present researcher felt a little bit as if he was on an "exploration into undiscovered territory". Indeed, this exploratory notion ultimately justified the fact that the overall research question was formulated rather broadly. Following from this, the actual topic guide was designed to cover a broad range of subject matters. In a similar vein, the researcher found himself in a kind of limbo state of not wanting to narrow down the scope of the question but also not wanting to let the participants run of on a tangent; this indeterminate state ultimately justified the use of semi-structured interviews. This kind of interviewing allows for a natural flow of the conversation, but still guides the interviewee enough to keep the interview from going in an undesired direction (Gaskell 2000). Overall, the rationale behind interviewing participants is to attempt to 'explicate the tacit knowledge' (Gaskell 2000:39) and the topic guide was thus organised in such a way as to allow for the materialisation of the participants' experiences.

This resulted in five main areas of inquiry: (1) *Personal experiences of workers*: this first set of question was trying to tap into the motivation as to why the members had joined a

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cooperative business as well as detecting initial cues as to whether or not their expectations were confirmed. (2) *Desired worker characteristics*: these questions were trying to elicit any commonalities between all the workers of the cooperative. The rationale behind these questions was to see whether the workforce tends to be more homogenous or heterogeneous. (3) *Issues in participation/decision-making*: one of the most important hallmarks of worker cooperatives and at the heart of cooperative life is the idea of democratic decision-making and participation. The questions in this section were thus designed in such a way as to invite the interviewees to share stories about how they are able to participate and how they address situations of conflict. The intention behind these questions was to gain a vivid picture of the co-operative reality. (4) *Differences between a "normal" business and cooperative business*: given the fact that a worker cooperative operates so differently from the norm, the questions in this part were trying to find out more about the psychological mindset of workers in either kind of business. Workers were invited to either share their experience of having worked in a 'normal' business or alternatively think of people working in such organisations and then compare these two different modes of making business. The researcher encouraged the participants to compare their business to such corporate businesses such as Starbucks or McDonald's. This stark and even provocative contrast was meant to enable the participants to come up with more tangible data. (5) *Issues beyond the cooperative*: the set of questions in the last section were designed to tap into the 7th cooperative principle "concern for community". These questions were thus meant to elicit valuable information on the cooperatives' overall value system.[3]

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[3] Please refer to Appendix IX for a copy of the Topic Guide.

Interviews

The next steps in a qualitative study of this kind involve: conducting the interviews, transcribing the interviews and eventually carrying out the analysis. Most of the times the researcher interviewed the volunteers at their respective work places and many a times the volunteers were sacrificing their breaks to talk to the researcher, which limited the amount of time available to mostly one hour or less. Sometimes the researcher would even interview the participants during their work, for example, one worker was scraping down the freshly made granola from the baking sheets and another one was cutting cheese while talking. Before each interview, the researcher obtained from each participant the permission to audiotape the interview. All interviewees gave their oral permission and at the end of each interview the participants signed a release form, stating that gathered data would only be used for the present research study.[4]

The actual interviews themselves were as diverse as the range of participants so that in the end, not one interview quite resembled another. This diversity was most pronounced when it came to following the outline of the topic guide. It should be noted, that the topic guide is intended to be only a 'security blanket' (Gaskell 2000), which aids the interviewer to keep on track during the interview. This means that although it should be prepared diligently, the topic guide must be used with some flexibility (ibid.). For the first interview, the researcher very much followed the outline as outlined, yet, with every succeeding interview, the researcher became more and more familiar with the questions on the topic guide and therefore started asking the questions as they would seem fit in the flow of the conversation. For example, if a participant would bring up the topic of community involvement during the

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[4] Please refer to Appendix III for a sample of the consent form.

earlier part of the interview, the researcher followed up with the questions pertaining to that specific section. Furthermore, given the fact that some interviewees were very limited in their available time, the researcher had to adjust the questions in order to fit the given time frame; unfortunately that sometimes meant omitting questions or even entire sections. At other times, the participants brought up topics that were not originally outlined on the topic guide. If the topics were of interest to the overall research agenda, the interviewer would then expand on the topic and sometimes even add the question to the topic guide. Having said this, the topic guide was thus a constant work in process and needed to be reinterpreted frequently.

Analysis

Once all the interviews had been completed, the next steps involved the transcription of the audio files followed by the actual analysis of the data corpus. As for the former step, the researcher himself transcribed all the interviews. Given the scope and aim of the present study, the transcriptions included all the spoken words, but paralinguistic features such as pitch, tone or intonation of the speech had not been noted down. In terms of the actual analysis of the data corpus, qualitative research offers an array of techniques to help with this task. Classical content analysis, discourse analysis, grounded theory or thematic analysis, are only a few of the techniques available to qualitative researchers; the current study employed thematic analysis. In an attempt to be as transparent as possible about the analytical process itself, the following section will describe it in much detail:

As is often the case, the actual interpretative or analytical process starts already long before the researcher sits down with the intention to analyse the data. In the case of this study, some

codes or potential themes already emerged during the interviewing phase, as well as during the transcription phase. In order to capture these often fleeting and elusive ideas, it was helpful to note these down immediately. With thematic analysis, the text analysis commonly involves several steps: first, becoming familiar with the data sets; second, coming up with preliminary codes; third, looking for possible themes; and fourth, coming up with names for the themes (Braun and Clarke 2006). Following these guidelines the researcher read and re-read all the interviews and along the way underlined key passages; highlighted important words; filled the margins with plenty of comments and questions; circled certain words or statements; and then connected the circles when appropriate. This act of "brainstorming on the paper" turned out to be vital to the process of generating initial codes, as it was the first step to organising the data into themes, patterns or 'meaningful groups' (Braun and Clarke 2006).[5] While this appears to be a rather straightforward process of coding the data and naming sub-themes and themes, the analytical process of the present study was not always as clear-cut as that. As a matter of fact, it sometimes happened that a possible theme was identified first and then the matching codes supporting that theme had to be found retrospectively. The analysis was thus not a linear process, but turned out to be of a more circular and recursive nature.

Once all the interviews had been "brainstormed" and the initial codes and themes had been marked down, the next step in the analysis involved making sense out of all this and trying to extrapolate key issues. Despite the fact that there are very good computer programmes that are able to assist the researcher with the often-tedious task of data analysis, the approach chosen for the present study was of a more traditional nature: manual coding. Having already identified over one hundred initial codes and sub-themes combined, the task was now to

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[5] Please refer to Appendix IV for the initial, non-ordered, codes.

bring some order into this assortment. Each code and sub-theme was written on a little piece of paper and the researcher then started "playing around" with these building blocks. Such a "puzzle game" for social scientists was very useful as it helped to gain some distance from the data itself and allowed for the more abstract themes to emerge. Following the cultural theory as outlined by Schein, the codes, sub-themes and themes were organised along the lines of assumptions, values and artifacts. Subsequently the findings were entered into a table for organisational purposes.

Results / Discussion

For the members of all three cooperatives, work is not only about making money. Far from it, while making a decent income and receiving good benefits is vital to all participants, most members appreciate working here because they value the fact that a cooperative is a place where the wellbeing of the workers is the highest priority.

> You know, you're family comes first. I had never worked anywhere where that the case and I knew
>
> right away that this is very I wanted to be. You know, the priorities were right. (Verena[6])

This people-centricity seems to be very much in contradiction to the corporate world where - especially in times of crises - avarice often outweighs and nullifies any espoused humanitarian principles. In a similar vein, one member said that it is the 'intangibles beyond the pay check' (Steve), that make the work at a cooperative so rewarding. In a way of capturing this spirit, this cultural analysis set out to materialise these intangible qualities of working at a cooperative; in other words, the socio-psychological factors that make work at these cooperatives so attractive and rewarding.

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[6] The names used here have been changed.

The findings show that underlying the success of these three businesses seems to be a culture that is based on three assumptions: *Agency* – workers have the power to change their lives; *Authenticity* – a genuine interaction with the environment and *Belonging* – workers have a need to for reciprocal relationships. These assumptions are expressed in seven values that were termed as follows: meaningful work, initiative/reflexivity, caring, family-like, play/learning, honesty, and contribution to society. Given the holistic nature of any culture, these values should not be seen as mutually exclusive entities; in fact, they are often overlapping, complementing and reinforcing each other. These values are then expressed in different artifacts, such as exceptionally good benefits, cooperative-specific language, the decoration of the stores and work practices or rituals (see graphical representation below).[7]

ORGANISATIONAL CULTURE CHART*

Physical Manifestations	**Behavioural Manifestations**	**Verbal Manifestations**
No Uniform, No Nametags, Functional Division of Space, Open Workspace, Comment Board for Customers, Bulletin Board Announcing Community Events, Selling High-quality or Organic Produce	Opening Hours, Benefits, Hiring Process, Firing Process, High Retention Rate, Equal Play, Equal Voice, Patronage Refund/Dividend, Decentralised Workforce, Committee- Rather than Specialised Departments, Serving Food to Workers, Meetings, Job Rotation, Loud Music	Anti-Corporation Language, Emphasis on Equality, Language High in Words that Refer to Freedom, Stories Involving Community Relations, Stories Involving Relationships Among Workers, Metaphor of Wholesome Work, Time Flexibility

Family	Caring	Reflectivity / Initiative	Society	Play/ Learning	Meaning	Honesty

Agency	Authenticity	Belonging

* Adapted from Edgar Schein (1985) Organizational Culture and Leadership John Wiley and Sons

The following section will now concentrate on the three underlying cultural assumptions of agency, authenticity and belonging; these represent the most central findings.

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[7] Rather than reiterating the components of these values and artifacts, please refer to Appendices V and VI.

Agency

Throughout the interviews there was a palpable notion that the workers have a very strong sense of agency. Generally speaking, agency is the assumption that humans have the ability to actively take part in the design of their working lives. This notion has been much contested within the organisational literature, especially in the postmodern literature of the late 1980's and 1990's. One of the most prominent voices has been the late Michel Foucault who argued that humans have little agency of their lives, but are mostly steered by the discourses surrounding them (Foucault 1989). In quite a similar fashion, Skinner and his movement of behaviourism has also reduced the human animal to a relatively passive being. Skinner argues that our life choices are mostly influenced or determined by the environment and not by an internal control body such as free will (Skinner 1972) or agency. The workers at the cooperatives, however, seem to challenge this notion as their accounts are marked by an exceptionally active voice. A recurring theme throughout the data set was that workers would say something like this: 'we pay ourselves' (Dennis); 'we just raised our wages to $20 amount per hour' (Aaron) or 'the workers that we treat are ourselves' (Frank). This use of language seems to set the workers at cooperatives apart from many other employees. [8] Another signpost indicating that workers at cooperatives are striving for a largely active and participative work life is that the participants, when referring to themselves, have not once used the term employee, but instead they used terms like worker, member or owner. This indicates that they have not given in to the idea that someone or something else rules over their destiny. In fact, it seems as if the word *employee* would evoke an image of a marionette

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[8] Evaluating the language actually falls under the umbrella of discourse analysis. Academics warn that one should not mix the different analytical frameworks, but given the fact that language is one of the artifacts of Schein's cultural framework, the author deemed it to be appropriate to make an exception here.

that could be played with at the whim of someone else. In the eyes of the interviewees this someone else seems to be personified in the role of the manager or boss.

This aversion towards a passive lifestyle was implied throughout most interviews. The members of these worker cooperatives do not seem to want to succumb to the modern working conditions, which they find to be degrading and dehumanising in many ways. In fact, they feel that many traditional workplaces reduce their workers to simply being a number.

> [At Starbucks] everything is incredibly uniform. There's no room for your personality to have a place
>
> in [there] because basically you're a commodity; you're expendable; you are replaceable. (Jonathan)

In other words, what they appreciate about their kind of business is that it is built to human scale and work at the cooperative therefore becomes more manageable because workers are able to gain a clear overview of all the aspects of the business. Thus, in a world where most people have become very much alienated from the actual processes and where employees consider their actions to be meaningless, the members of a cooperative find that their actions *do* matter and they can also see the immediate results of their inputs. This sense of having agency and leading an active lifestyle is mostly reflected in the values of initiative/reflexivity, play/learning and meaningful work.

Workers used expressions, such as *being awake* and *acting thinkingly* to undermine the importance of directed action. Thus, following this idea of thinking while acting, workers often showed remarkably high self-reflection when it came to analysing their own behaviour, such as in the following case:

> I've definitely withdrawn proposals during a meeting and typically if you withdraw a proposal the
>
> problem is not that people are giving you a hard time. The problem is that you didn't think your

proposal through enough [and thus failed] to present a lucid enough argument for why your proposal should pass. (Holger)

This notion of heightened reflexivity could be attributed to the fact that the members of these cooperatives have to look at the issue not only from their perspective as a contributing member, but also from the perspective of the whole group. Another offshoot of worker agency is the constant striving for improving their business. None of the three businesses houses an R&D department, as it would typically be the case in most modern organisations. Yet, the culture of these cooperative businesses encourages every member to partake actively in the development of his or her business. As a matter of fact, innovation happens often spontaneously and is often coupled with experimenting with a different way of accomplishing a task. While going through the interview transcripts a common notion was that the participants regarded their work as being playful, energetic, dynamic and dance-like. This evoked an image of kids playing in a sandbox and trying to create something extraordinary:

I came up with the spelt bread…I wanted to play with it…I just felt like I was interested in making something different, something that was really palatable, [something] that didn't feel like it was in a health-food store. (Margaret)

Another worker has a similar attitude towards innovation and experimentation:

I really enjoy imagining a better way of working…it keeps my creative mind busy even while I'm doing routine tasks and it peeks the imagination too. In a way there's really no limit to that kind of experimentation. It's pretty wonderful to learn through imagining or to learn through desiring. (Sue)

As this last statement indicates, the cooperative offers workers the ability to truly participate in the making of the business. The points of critic, as outlined previously in the literature review, seem to thus not be sustainable for this kind of undertaking.

All in all, having agency and defying the notion of helplessness seems to make the workers' lives more meaningful. In fact, Victor Frankl, who had been incarcerated in a concentration camp during World War II, comes to a very similar conclusion: after years of suffering he ultimately realises that it was his spiritual freedom that not only helped him survive all the tortures, but that also made his life both meaningful and purposeful. When he talks about spiritual freedom, he refers to the fact that what kind of life we are living is not the result of our environment alone, but the result of an inner decision - or an inner will - to live. In the words of Frankl: 'It's not freedom from conditions, but it *is* freedom to take a stand toward the conditions' (Frankl 1959:132). In general, cooperatives offer a unique alternative for people who are determined to create and influence their own working conditions and this influence helps the workers to 'gain control over their appraisal and subsequently their presentations of themselves – in short, over their social identity' (Jackall and Levin 1984:131). In other words, agency and worker participation are mutually reinforcing each other. Moreover, this synergy of both agency and participation contributes to a heightened social identification with the workplace as described by Joensson (2008).

Authenticity

As was seen in the last section, a sense of agency ultimately helps the workers to achieve a high degree of social identification and it also helps them to shape their social identity. What is more though, is that working in a collective also allows them to freely express this identity most of the time. The following discussion will illustrate this further:

A few participants brought up the topic of tense encounters with clients. In the world of customer-service relationships the usual mantra is that the patron is always right and that

everything needs to be done to satisfy the needs of the customer; after all, it is the latter who will secure the subsistence of the business. Customer relations were also a big topic among many of the participants, but it seems that some of them do not fully agree with the above-mentioned mantra. The following scenario illustrates this well:

> I feel like they're not always right…I don't feel bad saying no…or holding a firm boundary with them…for instance, it was a really busy day and this woman orders six slices for here. Then I put it on two plates for her and she was like 'What is this?' This is your six slices of pizza…and she's like 'I didn't want it for here'! Alright, so I grab a box and put the pizza in the box and she's like 'No I want them all together'! And I'm like 'they're all in the box together' and she's like 'No I want them all together'! So I just removed the papers from the box and arrange them in the box nicer. But she's like 'I want the one that came just out the oven'. They're the exact same pizza and I was like 'Here you go'. And it was like done and I went on and was not open to her and finally she like scuffed and huffed and took the box and left. I mean it was one of those times where I was really glad I held that boundary. (Rita)

This customer-service example brings to mind Goffman's stage theory (1958), in which he delineates between the front stage, where the service is performed, and the backstage, 'a place, relative to a given performance, where the impression fostered by the performance is knowingly contradicted as a matter of course' (Goffman 1958:97). In other words, the real emotions and feelings are normally not acted out in the front stage, but are only expressed in the secure place of the backstage (an office or back office). In terms of the above scenario though, the worker is not willing to put her feelings off stage any longer because she feels that there is a conflict between the role that she is supposed to be *playing* and the person she actually *is*.

Another person also echoed this longing for being true to oneself:

It feels like this huge chunk of your day you don't have to dismiss yourself – you can be yourself for the entire day and that's quite satisfying. (George)

This tension at the person-role interface (Ashforth, Kulik et al. 2008) seems to be representative to a larger theme among all interviewees. As a matter of fact, not wanting to work in a fake or dishonest business has been mentioned throughout all the interviews and oftentimes the comparison was made with such big corporations as Whole Foods or Starbucks. In the eyes of the participants, these kinds of businesses have been designed to evoke or portray atmospheres that resemble the ones from Italian market piazzas or cafés, whereas what customers would find at their cooperatives is real and not always perfect.

A lot of our co-workers have worked at other bakeries in the city where machines bake the bread. They're all the same way. We don't have any of that technology [and] even if we could afford it we don't want it. The final product is not just the sum of all pieces. The actual work that goes into the product is in [them] in some unquantifiable way. It's why we're successful. I can set beside me 150 pounds worth of all the chemicals that I am made of, but I can't make *me* out of it. There's some other quality there that animates it. (Frank)

In fact, this striving for authenticity and honesty is echoed in the decoration of their stores, or rather the lack of it. Rainbow Grocery, for example, is located in an old warehouse and the layout emphasises functionality over design. Both at Arizmendi Bakery and at the Cheeseboard, customers can witness directly the operation of the business as the ovens and working tables are not hidden away and the workers can be watched carrying out (rather than *performing*) their duties. Furthermore, the workers at all three businesses do not wear uniforms, but rather functional clothing expressing the workers individual identities. To summarise, the culture of these three cooperatives values both an honest business approach as well as an authentic portrayal of the workers.

Belonging

Having a sense of belonging to a community was very fundamental to all participants. The theme of being part of a worker's community, in fact, was so pronounced that it was clear from the beginning that it would be central to the overall culture of these organisations. In the words of one worker:

> As you can see, I haven't said one thing about work - it's all about our relationships here at work.
>
> (Dorothee)

Given the nature of any community, relationships with other people are the heart of it. Many members expressed that their workplace actually represents some kind of surrogate family, which gives them the emotional support network that they were missing elsewhere. One member at Rainbow Grocery stated that because he is living in an urban environment that is loosing more and more of a sense of community, his workplace manages to recreate such a community from within and would thus fulfil his and other members' need of belonging. In fact, this need for belonging seems to be very crucial to the present cultural equation. Yet, what is the cause for this increased need of a sense of belonging? - Richard Sennett (1998) explains that as a counter-reaction to the increasing emphasis on individualism and individualisation of our society, many people are now looking for connections with other people. Furthermore, institutions, such as schools or universities, promote the ideas that you should achieve things on your own account, because being dependent on others is often interpreted as a sign of weakness. However, the flipside of individualism is isolation and detachment from society and from other people. Indeed, this alienation is something that many participants have witnessed during previous employments at regular corporate jobs.

The words they used to describe their former working lives are very indicative of this: soulless, non-caring, indifferent and cutthroat to mention but a few. On the other hand, what many of them have come to find within the boundaries of their respective workplaces is a culture that is marked by camaraderie, emotional support networks, people singing out loud, simply having conversations, caring colleagues and a sense of security. The following statement captures this spirit quite nicely:

> If you work the 4 am shift you're working with three or four other people together and it's sort of like a three-hour check-in: you get to know each other and you establish relationships. I feel like everybody is really invested in each other, even people who don't get along - there is a mutual support-network. (Josephine)

Foulkes and Anthony (1957) elucidate that a feeling of belonging to a group of people can positively influence a person's sense of identity. Furthermore, they state that a deep sense of belonging is positively associated with better self-reported physical and mental health. Paradoxically though, most self-help literature seems to neglect the fact that nurturing relationships and feelings of belonging are crucial to an individual's health. In fact, many authors of these self-help books are preaching that a person's good life, wellbeing, or satisfaction is 'never a collective achievement but an individual one' (Oldenburg 1989).

Thus, going against this do-it-yourself notion, many participants expressed a need for satisfying social relationships that would not only be gratifying and rewarding in themselves, but that would also help them to better cope with their everyday lives. This notion seems to be reverberated in the words of John Bowlby:

> "The truly self-reliant person proves to be by no means as independent as cultural stereotypes suggest. A healthy self-reliant person [is capable of depending] on others when occasion demands and to know on whom it is appropriate to rely. (Bowlby 1973)

Knowing on whom you can count presupposes the existence of trust. In fact, one member identified trust as the 'life blood' that keeps a cooperative running. A society, though, that is fuelled by rampant individualism has little chances of achieving its citizens or workers to trust each other. Everyone is only out for his or her own benefit and does not refrain from backstabbing and walking over other people's feelings. Trust in a way, is hence the antithesis of individualism, as it requires the existence of a reciprocal relationship. When trusting someone else, that person figuratively extends a non-written contract to another person and allows that person to do something while remaining sure that that person will act responsibly. In the words of one interviewee at Rainbow Grocery:

> The honour system is a great feeling. It's a very rewarding and open feeling to be in an honour system. People just have to be trusted. You write down the right time you came in [and] you write down the right time you leave. The punching-in would be tough for a lot of people; all of the sudden it's like a regular job. (Jack)

Establishing trusting and rewarding relationships with other workers are thus also at the heart of the organizational cultures of these cooperatives.

Having said this though, work life is not all rosy and peaceful as this might have come across until now. Quite the opposite, conflict and friction are issues that all three cooperatives have to deal with as well. In fact, the notion of disagreement and rivalry was, next to friendships and camaraderie, another hot topic across all interviews. This then might suggest, that when it comes to conflict, maybe cooperatives are not so much different from other workplaces? - True, yet the subtle but crucial difference is how the members of these cooperatives are generally trying to manage those situations of discord. A few participants brought up the issue of differences in working styles, for example:

> I'm a super fast worker and I work with one worker occasionally who is a lot slower; she's really

slow and when I work a shift with her I know that I'm gonna be pulling more than my weight. One

day I was frustrated with that and she called me out on it. She's like: 'I feel like you're telling me

what to do?' [We] had a really good conversation. For me it was really hard [because] she's an

excellent baker and she's been there for years and I really respect her knowledge. She contributes

something other than I do and that's worth valuing. (Josephine)

Most members agreed that in situations like this, it is best to directly address the area of

conflict. When the two parties cannot solve the problem on their own, other members are

called in for help. Furthermore, members from Arizmendi and from Rainbow mentioned that

they have formed special conflict-resolution committees that help mediate between the two

wranglers. In addition to the existence of personal conflicts, disagreement is also a constant

during most meetings. Here as well the members, who are by and large people with firm

opinions, often express their disapproval immediately. Clearly, though, not everyone can

have it their way and someone will have to give in.

I feel a little bit defeated when I have a huge idea and people shit on it. How do [they] know we can't

do that? But at the same time, after five years, I've come to defer to the wisdom of the group and not

just myself. It's not me that has made our sales double, it's all of us together. (Frank)

All in all, conflicts are clearly unavoidable, but what is different about the culture of these

cooperatives, as opposed to the cultures of many other businesses, is that every worker has

the opportunity to express their opinion openly and will be listened to by all members. In

other words, the workers care for each other. In fact, this commitment to caring translates to

working out, rather than retreating from any difficulties that may emerge within the group.

Cultural Differences

Having just now talked about the tight and rewarding community of workers within a cooperative, the following section will address the notion of the external community, such as the customers and the people living in the area. This relates back to the 7th Rochdale Principle, which states that cooperatives should have a concern for the community and for the environment. Yet, this notion of the outside community has been a very thorny issue during the data analysis, mostly because the findings were not unanimous. The accounts of the members at Arizmendi and at the Cheeseboard were full of anecdotes in which they described encounters with the customers and also in which they related to the fact that their business is some kind of civic focal point for the community members:

> On Saturdays, when you watch it from our point of view - it's like old friends meeting each other and catching up; and it's like this community-gathering place, which really blows me away at times. When you see them out there just catching up with each other, touching bases and so sometimes when I think - we get so crazy about who's next - I think it's okay, they like being able to talk to each other, check it all out and do their thing. It's a social thing. (Dorothea)

As a matter of fact, when asked to describe a moment in which they felt proud of being a worker at their cooperative, most answers included situations in which they had a meaningful interaction with customers:

> I feel proud that the little things that we do actually are making people happy. Just to realize that you can have a warm relationship with a person at the register. It feels pretty wonderful that we can make a positive difference in the world through [the exchange of] a muffin. (George)

On the other hand, the interviews from the participants of Rainbow Grocery were remarkably void of stories that alluded to relationships with their customers. This contradictory finding caused a great headache because this study was set out to discover commonalities and not differences in the culture of the three cooperatives. However, the notion of customer

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relationship and community involvement was so prevalent in the stories of the two smaller collectives, that it was deemed to be unwise to simply neglect it. Thus, instead of ignoring it, the subsequent task was to try to make sense of it.

Upon closer inspection, it became clear that the researcher himself had misinterpreted this notion of *concern for community*. By deconstructing its meaning it soon became clear that *concern for community* can be actualised in two ways: either by providing a focal point for the community *or* by making donations to help institutions within that specific community. Once this distinction was drawn, the transcripts were re-evaluated and it soon became clear that the participants from Rainbow Grocery did indeed make references about how their business made donations to the community. Nevertheless, the puzzling observation from above remained - their accounts still lacked descriptions about their workplace as providing some kind of civic space. One worker at Rainbow actually expressed this directly:

> We're much more of a community for workers than a community for everyone else. (Greg)

The question that thus lingers in the air is the following: why are the workers at the one store very much interested in their internal community, but seem to be less concerned about directly connecting with the outside community? – A preliminary hypothesis could be that the location of Rainbow Grocery has probably a lot to do with it. The store is situated among other big stores like Office Depot and Best Buy and it is also adjacent to a very busy feeder road that leads traffic to the city's highways, whereas the other two stores are situated in rather quaint neighbourhoods. Resulting from this geographical difference, the customer base of Rainbow Grocery is much more varied because people come from other neighbourhoods and even from out of town to shop here. As part of a follow-up study, it would be interesting

to further analyse this apparent lack of customer involvement, as this seems to point towards a cultural difference between Rainbow Grocery and the other two cooperatives.

Critical Assessment and Limitations

The previous analysis examined the more or less positive cultural assumptions, values and artifacts of the three worker cooperatives. From the outset of this study, it was the intention of the researcher to study in more depth the contributing factors that lead to such a vibrant and satisfied workforce. However, not all in life is good and even the cooperatives from this study are facing situations that are not ideal. One such critical point that is noteworthy has to do with this notion of equality, which was most often expressed in terms of equal pay and equal voice. Especially the latter notion of having an equal voice, though, should be taken with a grain of salt, as it might be the case that not all voices are actually valued equally:

> Here everything is sort of supposed to be on a lateral plane; it's not really true. It's not in the idea of
> it but some people just cant help being leaders; it's who they are…people follow them; it's charisma;
> it's talent; intelligence. So I do think some people do take on more [and] make bigger changes; they
> have a bigger presence here. (Fiona)

This points to an important notion; namely that having no officially sanctioned hierarchies does not translate to there being no unofficial power structures. In relation to this idea, Shapiro (1996) states that having no official hierarchies can in the worst case be a more unfair system than one with clear rules and boundaries. It doesn't necessarily 'benefit the best people, but rather the most politically adept people' (p.133). This apocalyptical scenario, however, seems to be not applicable to any of the three cooperatives. Still, in their accounts many participants were aware of the fact that there is a fine line between the idea of anarchy

and the idea of a cooperative. Thus, it would be of interest to further investigate the informal power structures of worker cooperatives in more depth as part of a subsequent study.

Another issue that would benefit from closer inspection is the notion of ownership and the psychological factors involved in its manifestation. Pierce and Rodgers (2004) state that ownership is a dual creation of objective and psychological ownership. The authors further explicate that it is often the lack in psychological ownership that leads to rather mediocre and discouraging results of many employee ownership plans (ESOP's). This, they explain, has to do with the fact that psychological ownership is only achieved when employees are truly involved in fundamental decision-making processes. A recent meta-analysis of studies on the productivity in businesses featuring employee-owner schemes, shows that only when worker involvement is combined with ownership do such businesses equal or even surpass the productivity of standard enterprises (Logue and Yates 2006). These tenets of ownership and participation are both present at worker-owned and worker-operated businesses and it would be interesting to follow up with additional studies on how this synergistic effect affects the culture of these businesses.

Lastly, it was mentioned earlier that the idea behind this study was not to achieve a statistical representation of opinions but to maximise the range of opinions. Given the fact that participation for the interviews was voluntary, there is the danger that only the most vocal of members have signed up. Hence the present study might only reflect the range of opinions of the members that are most engaged in the business and this might actually distort the reality. Furthermore, as with any qualitative study, the findings are selected and prioritised by the researcher. If, for example, another person had read through the transcripts, he or she might have found other issues to be more important than the ones reflected in this account. In other

words, one often finds the things that one is looking for. In order to slightly counterbalance this tendency, the researcher had fellow students read through some of the interview transcripts to see what their initial thoughts would be.

Conclusion

This study was born out of the rather elusive observation that the atmosphere at worker cooperatives seems to be of a different kind. The impression that many customers get upon entering a worker-owned business is indeed that the atmosphere at such workplaces seems to be charged with enthusiasm, generosity, happiness, and creativity. Hence, the present study aimed to shed light on the underlying assumptions, and values underlying the organisational cultures of three worker cooperatives in the San Francisco Bay Area. The preceding analysis, which by no means does complete justice to the variety of opinions gathered during the interview process, revealed that one possible answer to this puzzling culture is that the priorities at a worker cooperative were set right: the wellbeing of the workers comes first and the concern for making a profit only comes second. This people-centricity was found to be expressed throughout the interviews of all participants and thus has significantly marked the cultures' underlying assumptions, values and artifacts. Moreover, in contrast with the cultures of many bureaucratised businesses, this people-centricity creates distinctly different experiences for workers, such as having a heightened sense of agency, being able to freely express yourself, fulfilling an innate need to belong, and the possibility of making a meaningful contribution to society.

In the end, it seems like this experiment called "The Worker Cooperative" has been a successful one; at least for the people having taken part in it:

> Once you're involved in it and you see the value of everybody coming to an agreement; and everybody realizing that they have real power in this story; and how it affects their lives and their personality; and how it affects their relationships that they have with the people around them - it's a no-brainer for me at this point. (Morgan)

Yet, have we reached utopia? - No, and we will most likely never get there. But at least the workers of these cooperatives have made a step in the right direction. Having said this, though, it should be noted that working in a cooperative might not be suitable for everyone, as there are sacrifices to be made. For example, a worker will never be able to afford buying a luxurious penthouse and he or she will also never move upwards the career ladder to become the powerful CEO of a big corporation. On the other hand, these are not necessarily desirable goals for the people working at a worker cooperative. For them, the relational aspect of work and all the other intangibles that contribute to engaging in a meaningful activity, are of much higher value. After all, 'the richness in the job isn't in the salary; it's elsewhere' (Frank)…

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Appendix I: Organisational Context

The *Cheese Board* first opened in 1967. After a few years the original owners decided to sell the business to their employees – the beginning of the *Cheese Board Collective*. Since then, the store has grown continuously and at some point had to move to a different location that offered more space. Originally, the *Cheese Board* only sold speciality cheeses and only later did the workers experiment with baking bread as well as pizza. The pizza business became so popular that an independent collective formed – the *Cheese Board Pizza Collective* –, which is now running out of an adjacent store. In its current form the *Cheese Board Collective* has about 30 members and the *Cheese Board Pizza Collective* has 12 members. Both collectives are fully owned by its workers.

Arizmendi Bakery is a spin-off of the *Cheese Board*. Not wanting to expand any further, the *Cheese Board* decided to help form other worker cooperatives using their know-how and expertise. The *Arizmendi Association of Cooperatives* was thus formed in the late 1990's, which has since then helped to open three more worker cooperatives. The *Arizmendi Bakery* in San Francisco is one of them and it opened its doors to the public in 2000. Since then the business has established itself very successfully in the neighbourhood and currently has about 20 members.

For tax and liability purposes both collectives have been incorporated, with each member being an equal shareholder and member of the board of directors. All members are paid an equal hourly wage. The decision-making process, while slightly different in each store, is principally consensus based. This means that every member has to be either for or at least not veto the decision to be made. In order to better coordinate the business undertakings, each collective has formed several committees, such as the hiring committee or the operations and

productions committee. Any member can apply to serve on this committee and will then be voted in by the entire membership.

Rainbow Grocery, also a worker-owned business, is quite different from the *Cheese Board* and *Arizmendi Bakery*. In 1975 a spiritual community, which strived to sell inexpensive vegetarian food items, first opened *Rainbow Grocery*. Since then the store has continuously grown and is now at its third location. Currently the membership of the store amounts to approximately 260 members. The store is divided into 14 sub-departments, for example the dry-good department or the cashier department. Each department functions as a separate collective in which departmental decisions, such as hiring new members, are made internally. Major business decisions are made by the entire membership. The board of directors, which is annually elected by the membership, is in charge of legal and financial decisions. Another elected body is the storewide steering committee, which deals with matters that the individual departments cannot successfully handled. Also, the latter committee has a mediating role when it comes to conflicts between the departments or between a worker and his or her department. Different from the *Cheeseboard* and *Arizmendi Bakery*, *Rainbow Grocery* does not operate on a consensus base, as this would be a very ineffective technique with such a large worker body; instead a 51% majority is required. The compensation at *Rainbow Grocery* is also slightly different where the hourly earning depends on the length of membership, whereas at the *Cheese Board* and at *Arizmendi Bakery* each worker earns the same amount irrelevant of seniority.

Workers at all of the above-mentioned worker cooperatives earn above-industry wages and on top of that each member receives a patronage refund (dividend) at the end of the fiscal year; the latter is dependent on the hours that he or she has put in. Moreover, the membership

of each collective has signed up for an exceptionally good health care plan that not only covers for the standard medical package, but also includes visits to alternative caregivers, such as acupuncturists or chiropractitioners. Other benefits include a retirement fund as well as six weeks of vacation time per year. Also, after having worked at the collective for a few years, each member has the opportunity to go on a 6-months sabbatical.

Appendix II: Contact Email with Research Proposal

Contact Email:

Hi there,

My name is Uli Bilke and I am graduate student at the London School of Economics. For my dissertation I have chosen to write about cooperatives and worker-owned businesses, and more specifically: what is it that motivates people to join cooperatives and also what is that makes cooperatives tick?

What made me interested in this topic? Well, for my undergraduate studies I went to UC Berkeley and this is where I first came in contact with the tasty pizza at the Cheese Board Collective. I quickly discovered that there are other cooperative businesses in and around Berkeley and developed an enthusiasm and excitement for this kind of businesses.

My master at the London School of Economics is in Organisational & Social Psychology. For my dissertation I chose the topic of cooperative businesses because it is something that I am very passionate about and that I would like to explore in more detail. Below, please find my preliminary research proposal, which –in case you are interested- will give you, more details on my project.

Furthermore, for this project I am looking for volunteers that would be available for an interview of about 30 minutes length. I will be in the Bay Area from March 21st until April 4th. Please get in contact with me at ulibilke@yahoo.de if you are interested in sharing your personal experiences with me.

Thank you very much for your time and your cooperation.

Warm wishes,

Uli

The verdict is still out: Cooperation versus Corporation

"When I first set foot into the 'Berkeley Cheeseboard' the woman behind the counter immediately greeted me with a warm welcome-smile. Somehow, she must have realized that I was a newbie and so she explained to me that I would have to first pick a card from the deck of cards and then wait until my image was called up. After a short while the queen of hearts was called and since I had picked the king of hearts, I was only moments away from being served as well. Once it was my turn I told the lady behind the counter that I would like to have about 5 ounces of feta cheese. Yet, instead of reaching into the counter and fishing out my order, she explained to me that they had actually three different kinds of feta cheese: a Bulgarian feta cheese; another one from Northern Greece; and also a local feta cheese produced in the nearby Napa Valley. I was not quite sure as to which one to pick, but I also didn't want to occupy her help for too long since there were many other customers waiting in line. Hence, I quickly answered that I'd go for the Bulgarian one since that was the kind my recipe called for. However, the lady behind the counter didn't seen to be in a hurry at all and, with a big smile on her face, she insisted that before making up my mind I should better try all three of them.

In the following minutes I thus not only had my own personal cheese-tasting, but the woman also tried to make my cooking experience an epicurean event in its own right: she explained to me which kind of feta cheese would work best for a Greek salad; which olives would complement this cheese, and she even pointed out a tasteful home-made bread whose consistency would lend itself perfectly to soak-up the dressing later-on. In addition to her recommendations, another customer joined our discussion and the latter assured me that this bread was indeed divine and would make my dinner party a sure success. A few minutes later, I left the store with high spirits and for the entire duration of my journey home I was still mesmerized by this unusual shopping experience. From that day

on I not only returned to the Cheeseboard whenever I needed good quality produce and expert advice, but also to recapture this tantalizing sense of being part of the local community."

It is this sense of belonging amongst others that I would like to explore further in my dissertation. And more specifically, I would like to find out what motivates a person to join a worker-owned business and also what exactly is it that makes a cooperative business tick?

Through my personal experience as an employee of several big organizations and by reading many books and articles throughout the course of this master program, I could describe the business world as owning the following characteristics: a constant need for innovation in order to successfully compete on the global market; the necessity to deliver a product within the shortest time possible; and an emphasis on quantity over quality. Furthermore, because the psychological contract between an employer and the worker has been dissolved, the modern employees have been transformed into enterprising selves (Rose, 1999) that have to take their lives into their own hands. It follows that not only do they have to constantly proof themselves in order to not loose their jobs, but they are also forced to incessantly compete with each other due to the scarcity of available jobs. In addition, due to the loss of many communities, that have previously lend psychological support to the workers, people are now feeling alienated from each other.

Thinking about these developments made me wonder if worker-owned business might be a viable alternative or a safe haven for people who would like to escape from the harsh world of corporations. After all, central to the idea of a cooperative is the notion of opposing competitive individualism and combating the influences of the exploitations and deceptions of capitalism (Mellor, Hannah & Striling, 1988). Furthermore, cooperatives are known for their emphasis on community integration and their efforts for giving people a sense of belonging. Thus, it might be this idea of a communal and more humane lifestyle, as opposed to one where we have to compete against one and another, that might be especially appealing to the workers of a cooperative. Could one therefore argue that cooperatives are so attractive to some people because their own values, norms and morals are resonated in this cooperative spirit? Furthermore, could it be that the psychological contract in worker collectives might be still alive – only that the workers basically have a contract with themselves and with each

other because they are co-owning the business? Has there been a shift away from the individual to the collective entrepreneur?

Additionally, I would like to investigate how the principles behind worker-owned businesses create an organizational culture that helps this business not only to survive but also to thrive. Very central to a cooperative business is the idea of democratic control and self-government. Could it thus be argued that because of the fact that every employee is a participating stakeholder and owner, they feel more responsible for the business and therefore invest more personal efforts? Furthermore, many co-ops also operate on the idea that every worker should know all business operations equally well and therefore the individual workers rotate through all workstations on a regular basis. Does this lack of complete specialization not only combat boredom on the job, but could it also eventually lead to a more well-rounded workers because it allows workers to apply their various skills in many different settings?

Furthermore, I would like to explore the idea of participation and engagement in the realm of a worker-owned business. The workers in such institutions seem to be exceptionally engaged and motivated; a notion that the personal anecdote from the beginning nicely demonstrates. How then does this high involvement contribute to a better organizational culture and thus might even stimulate organizational learning? Moreover, is it true that people working in co-ops understand their work as an extension of their personality as opposed to seeing it merely as a 9-to-5 job? Is this maybe key to the understanding of high engagement?

A next step in my investigation would be to further analyse how this communal spirit is being transmitted to the customers, especially in co-ops that operate within the service industry. I myself am a very good example of a customer who was attracted by the helpfulness and friendliness of the workers at such a place. One could assert that this cruel corporate reality is also reflected in how many businesses treat their customers. Chain stores, such as Starbucks, McDonald's or Gap are dominating the high streets and the employees at these stores are often students or other temporarily hired workers who do not really care much for the mass-products that they are selling. The case seems to be quite the opposite at the worker-owned business, especially the small-scale ones: the worker is likely to have been involved in the work process and thus cares much more for the product. Is this 'helpfulness' of the workers

reflected in the success of a co-op because people who share the same values are their costumers?

Further questions came up while brainstorming with various professors and other people: How far could you take this approach? In other words, when is cooperation no longer possible or feasible because of difficulties that arise from managing too many people and too many different perspectives? Also, when it comes to sharing resources, such as knowledge and products, how successful is collaboration among collectives? Additionally, producer coops are most often found in the areas of an industry that is least effected by modern developments, such as grocery stores, bakeries, restaurants and good-producing businesses. However, this idea of cooperative work, would it also work within a more professional setting, for example, in an architecture firm or a law firm?

Overall, my stand on cooperatives is that they should not be seen as a type of business that revolutionizes the world, but rather as a viable option or alternative for some people, especially the ones who would like to escape from the often cruel and tough world of global corporations. Thus, summarizing what I outlined above, I am mainly interested in discovering first, what motivates people to join a cooperative business and second, what are the principles that make a worker owned business sustain and succeed in the midst of a rather dooming corporate reality.

References:

Mellor, M., Striling, J., & Hannah, J. (1988). 'Worker cooperatives in the theory and practice'. Milton Keynes: Open University Press.

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Appendix III: Consent Form

LSE THE LONDON SCHOOL OF ECONOMICS AND POLITICAL SCIENCE ■

Dear

Thank you for participating in my research, which informs my master thesis for the MSc program in Organisational & Social Psychology at the London School of Economics & Political Science.

The aim of the study is to explore the notion behind cooperative businesses, for example: What is it that people makes join a worker-owned business? Or, what is it that makes a cooperative tick?

The interview questions are semi-structured to allow being as open as possible to your perspective. Please feel free to interrupt me at any time to clarify any issues. I may also take notes during the interview.

I confirm that the data collection will not be harmful and should you want to discontinue your engagement with the research, you can do so at any time during or after the data collection exercise. With your consent the interview will be recorded and transcribed. The confidentiality of your organisation and your identity will be preserved all through the research as well as in the final report.

Furthermore I confirm that your perspective will not be taken as the generalised view of the whole organisation you work for.
A copy of the final report will be available for you on request.

Please feel free to direct any queries regarding the research to me at any time during or after the research has been completed.

By signing this consent form, you are giving your agreement to be part of this study and the conditions outlined above.

Thank you for your time, your participation, and of course your cooperation.

Uli Bilke   Participant

_____   _____

Contact details:
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London School of Economics and Political Science
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Appendix IV: Initial Codes

A
Acceptance
Adapting
All in this together
Allowing for different work styles
Altruism
Appreciating wisdom of elders
Atmosphere / spirit
Attractive for motherhood

B
Being able to contribute
Being replaceable
Being your own boss
Benefits

C
Caring / looking out for others
Challenges
Civic space /civic focal point
Co-educational experience
Collaboration
Comforting & nurturing place
Commitment
Common sense
Communality
Community
Competitive application
Compromises
Conflict resolutions
Connectedness with customers
Connectedness with other co-workers
Consensus
Constant change
Constant fine-tuning
Constantly reinventing
Constructive criticism
Contribution to greater good
Controversial
Critical self-reflection
Customers service

D
Decision-making
Deferring to the wisdom of the group
Democratic ideal
Dialogue / conversations
Diversity
Diversity – one that is most unlike us
Diversity in age / gender / ethnicity
Doing dirty jobs
Dynamic / dancing

E
Earning a higher than industry-average income
Emotional support
Empowerment
Energy
Engagement
Enjoyable
Equal pay
Equitable distribution of rewards for the efforts
Everybody should be able to live w/ the decision
Experimentation

F
Fairness
Faith in the group's decision
Family comes first
Family-like
Feeling useful & invested in community
Financially stable
Flat and egalitarian accountability
Flexibility
Food aspect
Freedom for expression
Fun
Functional

G
Give-and-take
Good and wholesome work
Good at thinking out-of-the box

Good business
Good business model
Good ethos
Good pay
Good place to talk
Gossip
Gratifying job

H
Happier
Happy people
High retention
Hiring process
Honest business
Honour system
Human scale
Humane respect
Humanised work and workers
Humanitarian capitalists

I
Improving yourself
Individuality
Information sharing
Informed decision-making as opposed to arbitrary
Inhibitory control of the group during conflict
Innovation
Institutionalized memory
Intangibles beyond the pay-check
Intense hiring process
Internal career
Intimacy

J-K
Job rotation / Jack-of-all-trades
Job stability
Knowledge / expertise

L
Leadership
Learning from mistakes
Learning the cooperative values by living them
Learning through imagining and desiring

Less avarice /greed
Less stress
Less turnover
Local celebrity
Loose structure

M
Making mistakes together
More fulfilled in life
Multiple truths

N
No boss
No rules just guidelines – less rigid
Non-authoritarian
Not a static workplace
Not being a number
Not being alone
Not being oppressed
Not cut-throat
Not fake / real
Not feeling degraded / dehumanized
Not having to be consistent all the time
Not hierarchical

O
Old-world family business feel
Open-mindedness
Organized chaos
Ownership

P
Paradoxes
Participation
People-centric workplace
Perks
Personal expression
Personal investment
Perspective-taking
Physically demanding
Playful / lively place
Playful work
Political issues
Power

Pride
Priorities are right
Professional yet playful
Psychological contract

Q-R
Quick decision-making
QWL
Relatedness
Relationships
Respect
Responsibility

S
Sabbatical
Safety
Satisfying
Self-growth
Sense of identification
Shared responsibility
Sharing
Social justice
Socially free
Speaking your mind

Special place
Spontaneity vs. rigidity
Stability
Strong work ethic
Support network

T
Taking initiative
Taking time
Talking things over
Thoughtful
Tolerance
Trust

U-Z
Unconventional
Vacation time
Very accommodating group
Voting
Welfare of workers priority
WLB
You can move around

Appendix V: Final Coding Frame

Value	Code	Code Description	Exemplary Quote
Family	Conversation/ Dialogue	Workers have time to catch up on both work-related and personal matters.	"It's sort of like a three-hour check-in. You get to know each other, you establish relationships."
	Safe Haven	Workers feel that their opinions are valued and that they are listened to no matter what	"I'll talk about the emotional aspect of being really empowered and supported…and feeling my voice is really valued."
	Group Cohesion	When a difficult issue arises workers stick together and back each other up	"If someone fails to achieve something, they can't become a scapegoat. Everyone is in common responsible. We don't waste time with finger pointing. Someone basically has to step up and join them and work on it."
	Sense of Belonging	Workers feel very much at home at work	"Community - a total community - and we kept calling it the family. A lot of the people that worked here really had no family around here. They were from the East Coast or from the Midwest or from a different country and this was their family."
	Rewarding Relationships	Workers have built up long-term relationships	'What we're doing is providing a situation where people work with dignity and integrity and have relationships with other people and have growth opportunities."
	Diversity	Only a good mix of different people will lead to success	"Now we're trying to get younger people again to come in because what tends to happen…you tend to hire people that are like yourself if you don't try hard…so we're trying to diversify - age and background. My thing is young people; otherwise the institution is gonna come to a stop."
	Being Replaceable	When workers are not at work (sabbatical, vacation), the business does not stop but runs on as usual	"You know I can go on vacation on a month – because somebody can do what I can do here – and if you could live with that idea that you are replaceable than it's for you."

Value	Code	Code Description	Exemplary Quote
Family (cont'd)	Sharing	Workers share the responsibility; share power; share profits; and also share the laurels	"The idea is to cooperate in your work style rather than to hoard your power and information…you share it."
	Trust	Without a boss constantly looking over the workers' shoulders, they have to have a high level of trust for this undertaking to work out	"We run on this life blood called trust here; so it's very easy to take advantage of that. And then if that's gone it's very hard to get it back."
	Fairness	Workers treat each other with fairness	"It feels so good if you're willing to give more and work harder…because it feels so fair…to me that's really the key."
	Worker-Siblings	Often workers look at each other almost as close family members	"It's not just hiring somebody - you're gonna be living with this person for the next twenty years."
	Home	People feel safe and secure at the workplace; work is like a shelter for them from the evils of the outside world	"I feel secure here."
Caring	Constructive Feedback	Workers counsel each other and help each other	"It seems like they really want to help you; they want you to do your best and they always give you good feedback. They're not just criticizing you or trying to make you feel bad. They want you to grow with them. And at other places, people just don't want to see you succeeding."
	Valuing opinions	During meetings all voices are being heard yet ultimately a decision has to be made	"Usually the way we resolve things is that we make sure that everybody can live with the decision."

Value	Code	Code Description	Exemplary Quote
Caring (cont'd)	Respect	Caring for each other by showing that you respect the other	"When I was gone for six months I realized that this place is a very grounding place to work…you are respected in a way that I've never really…in any other project or environment."
	Family Comes First	Family matters, such as a child's sickness or the death of a loved one are having priority	"A girl that I work with - her father passed away a few weeks ago and we're just like: 'Come back when you're ready.' Here you don't need to bring the death certificate; you don't need to prove that your parent died and that you went through this terrible process."
	Motherhood	Working in a cooperative can be attractive for mothers as they can work part-time or at least choose their own shifts in order to accommodate the caretaking	"And particularly with the demands of motherhood; she's gonna get a lot more respect and fair treatment here than most employment places."
	Altruism	Not every move will necessarily translate into money.	"A coop needs people who put in that extra amount of work without having to get paid for."
Reflectivity/ Initiative	Self-reflection	Looking for the fault in yourself first before blaming others	"If people can't examine themselves - 'I could have done this better' - then they're not gonna make it here even if they've been her ten years. When they can't admit that everybody's valuable; that they've made a mistake and that they need to improve…sooner or later you will do something wrong and you have to be able to deal with this."
	Acceptance	Working out and accepting differences between workers	"I can complain with somebody working slowly but it's just a problem for me. Most people all have different work styles and it's just something that you need to accept and get used to."

Value	Code	Code Description	Exemplary Quote
Reflectivity/ Initiative (cont'd)	Thinking Actingly	Innovation will only come through applying your thoughts	"It's not a static workplace at all and because of that everybody is constantly thinking of how could we make this better.?"
	Outside-the-Box-Thinking	The business has survived for so long because people were thinking not always feasibly	"I think we're really good at thinking differently."
	Passive Participation	Sometimes the loudest voices are not the best ones. Participation is more than only making proposals or vetoing decisions	"Participation and decision-making is often seen as a very kind-of…who's the person, who analyses and vocalizes; puts forward proposals. But the person who's a good listener and who gives emotional support in some ways is a leader as well and we try to recognize and develop that."
	Initiative	Workers are asked to follow through and implement the proposals that they have brought about	"We then ask that person to take initiative on implementing this plan; mostly since it was their proposal in the first place."
	Civic Space	The cooperative often represents a local meeting place for neighbours	"People know each other more because they may have seen each other at the bakery. It's kind of a civic focal point."
Society	Donations	The 7th Rochdale Principle holds that cooperatives should have a concern for their communities	"We have a donation program. We have small donations in the form of gift certificates for school programs and we donate our leftovers to different homeless shelters and community groups."
	Customer Relations	Concern for community can also be expressed in non-monetary exchanges	"Knowing people's names - it demonstrates to them that we don't just see people coming in as dollar-signs; we see them as essential to our business."

Value	Code	Code Description	Exemplary Quote
Society (cont'd)	Community Life	People associated the cooperative as a place that they can go to in times of crisis and joy	"It was the day that Obama was inaugurated as president. We actually celebrated here at the store; we gave away Obamaccinos and we gave some things and the pizzeria had music all day long. People were dancing in the streets; cars were coming by honking their horns; bus drivers were waving out of the windows -everybody was excited."
	Local Celebrity	People working at a cooperative are often recognized well beyond the walls of their store	"You are an instant celebrity at any party that you go to if you say that you work at Arizmendi."
	Caring for Community	Workers care for how their business decisions will effect their customers	"Raising prices is always very difficult. Nobody wants to ever really raise prices because first of all – back to the community – these are people you know and you know it's not like you're sitting in some corporate office; seeing the senior citizens come in and the price of his bread is going up - that's a one-to-one kind of thing."
	Bulletin Board	Bulletin boards can hold political information or simply advertisements for other local businesses	"It was the community bulletin board – the windows - which they still kind of are, but it's not as political as it used to be."
Play/ Learning	Dynamic	The work at the cooperative is not static, but people are always on the move	"I love the baking…the caloric output is high, but you're moving, it's dynamic."
	Learning	Many workers have not a food background and they are thus learning by doing	"For me and other people who don't have a business background it's pretty wonderful to learn through imagining or to learn through desiring."
	Fun	Having fun and working go often hand in hand for the workers at the cooperatives	"There is a group of really funny and crazy people - we like to sing loud and dance; sometimes I feel that when we work really hard…it's like a gift to ourselves…joking around…it's good."

Value	Code	Code Description	Exemplary Quote
Play/ Learning (cont'd)	Energetic	The workplace is described as vibrant and energetic	"I really thrive in this energetic environment; if you can innovate go for it and use your creative energies to make this better."
	Profession al, yet Playful	Bringing in new ideas can often be accomplished by trying out things; yet you never know if it really pays off in the end	"I hadn't really eaten that I'd like that was - like whole grain bread. I wanted to play with it; next thing you know I was starting to work on this. I just felt like I was interested in making something different."
	Innovation	Innovation is key for avoiding a static workplace	"That was kind of innovation by just experimenting and kind of cultural diffusion."
Meaning	Contributi on	Work is more than receiving just a pay check	"To have some meaningful contributions; to make other people's lives better - through smiling at somebody during the day or through creative work."
	Food Passion	Many workers have a passion for food before they start working here	"I like working with food; I love cooking and when I work with food it's my best jobs…when I'm in touch with food."
	Political Ideals	Some workers joined the cooperative because of their political orientations	"My background is not in food, but I've always been interested in politics and collectives; socialist or cooperative philosophy."
	Wholesom e Work	The actual work itself seems to be more varied and diverse than at other kinds of jobs	"And the actual work that I was doing was good and wholesome work that I actually enjoyed doing; and I worked with people I liked."
	Gratifying Job	Seeing the direct outcome of your work, especially mentioned for workers at the bakery. But overall, this is strongly linked to partaking in the business as well.	"This is a creative process I feel; and it is gratifying, because you get to see…you're mixing the scone; you're weighing out the flour, the sugar; the leavening, the butter, the buttermilk - all of those ingredients. So you see it from the beginning until the very end."

Value	Code	Code Description	Exemplary Quote
Meaning (cont'd)	Self-Growth/Identity	Work enriches your sense of self-identity	"There are really spaces for personal growth here."
	WLB	The workers enjoy the fact they have plenty of time outside of work.	"I feel that I have a luxury of time that somebody earning six figures doesn't have. It's very precious to me. Only in a place like this could I have it."
	Happiness	People often expressed a general sense of happiness working at a cooperative	"This is plan B for them; they wanted to stay for a bit and then open their own place; they've just found so much happiness that they're not going anywhere. That's kind of the difference."
	Empowerment	The work is empowering through their active participation	"I really love what I do; I feel very empowered when I'm there. I get to learn all these aspects of running a business."
	Expertise	Workers become real experts of their jobs, because they are so much involved in it	"People here got into a department and became really big experts on that product and helped maintain the department."
Honesty	Fake/Real	Workers expressed that wanted to portray an honest image of their work – not selling a philosophy, but real work	"They sense that there's craftsmanship occurring…that they can witness it and it's sort of exposed in a way that a lot of the restaurants are not…and that humanizes the workers in a way."
	Constructive Feedback	Give honest and critical, but yet constructive feedback	"They're not just criticizing you…or trying to make you feel bad…they want you to grow…with them…and at other places, people just don't want to see you succeeding."
	Person/Role	Workers expressed that they often have contradictory feelings about how society wants them to behave and how they see themselves	"It feels like this huge chunk of your day you don't have to dismiss yourself – you can be yourself for the entire day and that's quite satisfying…to feel like what you do matters in a holistic way."

Value	Code	Code Description	Exemplary Quote
Honesty (cont'd)	Dirty Jobs	Doing all sorts of work makes you a more humble person and worker	"As I said we're constantly reinventing our workplace; we used to have a cleaning department but then we decided that we wanted to make every department responsible for their area of the store."
	Consistency	Workers like that their products are not impeccable and spotless; they feel this is more honest and real than some shiny apples at the fancy grocery store	"A lot of our co-workers have worked at other bakeries in the city where machines bake the bread. They're all the same way. We don't have any of that technology and even if we could afford it we don't want it."
	Equality	Equal voice, equal pay…the ethos of equality is a two-edged sword though, as it cannot always be realised	"With this underlying ethos of fairness and equality…no one thinks that anybody is getting and edge up because of who they are, what they are, where they come from or any of that. And that is great, not just leveling but truly and animating."
	Fairness	Fairness seems to be at the heart of cooperative life; often this is higher than equality itself	"I think it's important to be fair and I feel like this is a fair-paid place; and I try to be fair in my home-life as well – so fairness and justice is very important."
	Fallible	Workers do make mistakes, but they also stick together	I felt like there was a built-in support system; and even if we made mistakes, we made mistakes together rather than just fumbling around in the dark."

Appendix VI: Artifacts

Manifestations	Artifact	Description
Physical	No Uniform	Workers do not wear uniforms, but instead dress up in clothes that either they deem to be appropriate for the task at hand or that they find best expresses their personality.
	No Nametags	Workers do not like the idea of wearing nametags.
	Functional Division of Space	The workspace and the space in the store are designed to serve functionality over beauty. The shelves are plain, yet neat. There is only little decoration.
	Open Workspace	The kitchen/bakery is visible for the customers. This implies that workers do not have to hide anything, quite the opposite; they want to show that theirs is an honest business that needs not to hide anything. Also, this way the workers feel that they can partake in the day-to-day business, as they can see the customers going in an out.
	Comment Board for Customers	At Rainbow, the entrance offers a comment board where customer emails (inquiries, complaints and compliments) are displayed. The workers feel that this also symbolises an open and honest business.
	Bulletin Board announcing community events	All three cooperatives have bulletin boards that are reserved only for either free or low-cost community events.
	Selling high-quality or organic produce	The cooperatives only sell organic produce and products. This reflects their values for partaking in sustainable businesses.
Behavioural	Opening Hours	The cooperatives are making a statement by being closed on rather unusual days, for example May Day (International Worker's Day), Cesar Chavez Day, or Gay Pride Day. By contrast, some are open on July 4th (Independence Day), a day when all other businesses are closed.
	Benefits	Workers at these cooperatives profit from very good benefits: an exceptionally good health insurance plan (with no deductibles and the possibility to seek advise from alternative medicine schemes, such as acupuncturist or chiropractitioners), a 401k plan (pension plan), 6 weeks of paid vacation time, possibility to go on a 6-months (unpaid) sabbatical.

Manifestations	Artifact	Description
Behavioural (cont'd)	Hiring Process	The hiring process is a very tedious one, as all members of the particular collective have to be in agreement (or not veto the decision). The new worker then has a six-months trial period, during which both the worker and the collective can terminate the relationship. Afterwards, the new worker either gets voted in or not.
	Firing Process	The hiring process is so strict, because once in the workers cannot be fired, unless they have been found stealing or convicting any other kinds of crime.
	High Retention Rate	When joining the collective, the new member agrees to stay with the business for at least five years. Many stay much longer than that though.
	Equal Pay	Every member earns the same amount as the other: Rainbow is slightly different, because the members higher in seniority earn a little bit more on an hourly rate.
	Equal Voice	One member, one vote. Every member has the opportunity to participate actively in the business, either by making proposals, or by voting on decisions.
	Patronage Refund / Dividend	At the end of the fiscal year, the members divide part of the profits among each other. The remaining profits are used as some kind of 'endowment' to finance future investments.
	Decentralised Workforce	There are no managers and no bosses.
	Committees, rather than specialised departments	While there are no managers, the cooperatives have committees that are in charge of different areas, such as PR, donations, etc.
	Serving Food to Workers	At Rainbow, the workers get two meals every day, cooked by the members themselves.
	Meetings	Meetings take place on a regular basis; monthly and/or quarterly.
	Job Rotation	Members are encouraged to rotate between different kinds of jobs; they can also apply to serving on the committees.
	Loud Music	At Rainbow, the workers play the music very loud. This has already attracted some customer complaints, but the workers nevertheless uphold this policy and regard it as a privilege.

Manifestations	Artifact	Description
Verbal	Anti-corporation language	The interviews were full of comments that compared their businesses to the corporate world. Workers despise hierarchies, managers and top-down decision-making. They feel that these are dehumanising and exploiting business strategies.
	Emphasis on equality	Many a times did the workers use statements that alluded to the fact that their business is based on equality and fairness. They feel that this is very central to the idea of cooperative undertakings.
	Language high in words that refer to freedom	The word freedom and its synonyms have been used widely throughout all interviews.
	Stories involving community relations	Many accounts, mostly from the two smaller cooperatives, included stories about community activities and community involvement.
	Stories involving relationships among workers	Every interview contained a high amount of relational stories.
	Metaphor of wholesome work (like whole grain bread)	Workers see their work as being wholesome, which evokes the picture of whole-grain bread versus plain white bread. Workers feel that their work is more 'nutritious' compared to the jobs at chain stores like Starbucks or McDonald's.
	Time Flexibility	One benefit of working in a cooperative is that workers have a great deal of free time. Many work only part-time and devote the rest of their days to artistic hobbies, for example.

Appendix VII: Topic Guide

Personal experiences of workers

1. What motivated you to join the workforce at the Arizmendi Bakery?
2. What does working here do for you that perhaps, you couldn't get elsewhere?
3. Did you find what you expected to find? Did the reality of working at the Arizmendi Bakery fit your initial expectations?
4. How easy was it for you to gain acceptance? How did you feel about that?
5. What is important for you in life in general?
6. Can you describe a situation in which you felt proud of being a member of the Arizmendi Bakery?
7. Is your work here at the Arizmendi Bakery only temporary or can you see yourself working here for a very long time? What are your aspirations for the future?

Desired worker characteristics

8. What are the most important characteristics that a potential new member of Arizmendi Bakery should have?
9. Aside from technical training, what do you want the new members to learn about the organization?

Issues in participation and decision-making

10. At the Arizmendi Bakery, how does one go about introducing a new idea? Can you give some examples?
11. Think of an instance where a disagreement came up during a meeting. How did you and your colleagues go about resolving this issue? Were you happy with the outcome?
12. If you can, please think of a situation in which you felt angry about something or someone at the Arizmendi Bakery. What was it about this situation that triggered your anger? How did you feel about it?

13. In regards to the last questions; what did you do then? How did the others respond and what happened in the end?

14. Can you describe a typical meeting? How do you typically make the decisions?

15. This question might sound a little paradoxical, but how do you express your individuality in a collective? Can you come up with some examples?

The differences between a cooperative and a "normal business"

16. Imagine you met someone who doesn't know what a collective business is. How would you describe to this person what is so special about your working place?

17. How do you think a collective business is different from a 'normal' organization?

18. What do you think is the difference between a employee working at Mc Donald's, for instance and you?

19. How do you think working at a collective differs from working at a chain store, such as Mc Donald's or Starbucks?

Issues beyond the cooperative

20. Aside from the amazing bread and pizza, why do you think people come to the Arizmendi Bakery?

21. What do you think a business like yours contributes to the community? Can you give some examples?