

Managing a Successful Co-op Business

Master of Management – Co-operatives and Credit Unions
www.smu.ca/mmccu

The Scottish Agricultural Organisation Society (SAOS), now 100 years old, is owned and governed by 80 member co-ops with a combined agricultural through-put of £1.6 billion (Scotland's total is £ 2.3 billion).

The stated purpose of SAOS is "to strengthen the profitability, competitiveness and sustainability of Scotland's farming, food and related rural industries and communities through the development of co-operation and joint activity."



Bob Yuill knows that cooperative businesses, like trees, take time to grow to maturity. His 100-year old organization is in it for the long haul, so enrolling Bob in the co-op management master's degree program makes sense.

Bob Yuill is Senior Project Manager at SAOS, where he has worked for seven years. He enrolled in the MCCU programme in 2003. "I was actively looking for some way to improve my own knowledge of co-op management, but I knew I didn't want the standard MBA programme based on profit maximization."

"Even most of the co-op education courses I discovered seemed to be the basic MBA with a co-op module attached at the end," Bob says.

"That doesn't work. You're not using the fundamentals of co-operation as the groundwork for building the business. If you start with the premise of maximising

return on capital, you will always get to the wrong conclusion."

Unique Master's Programme

Bob's boss James Graham had already signed SAOS up as a member of the MMCCU organizing co-operative. He strongly supported Bob's enrollment in the unique master's degree programme.

The only course of its kind in English, the MMCCU is coordinated from St. Mary's University in Halifax, Nova Scotia by co-designer Tom Webb, an international co-op consultant and the former Director of Co-operative Extension at St. Francis Xavier University in Antigonish, Nova Scotia—where Fathers Moses Coady and J.J. Tompkins anchored Atlantic Canada's early co-op movement.

MMCCU faculty and students are scattered throughout the English-speaking world. They employ WEB technology to pursue a Master's in Management of Co-operatives and Credit Unions while remaining at home and at work. They meet once a year on a study tour of places like Mondragon, Spain (huge worker co-op complex).

The complete course requires about 72 weeks of classes, assignments and a major project that is linked to the sponsoring employer co-op/organization.

Benefits of the Programme

After two years, Bob Yuill is looking at the home stretch. He will complete the programme and earn his degree this spring. How have he and SAOS benefited from the course?

Bob replies, "One important concept I have learned is that of 'new generation' co-operatives, where farmers become more involved in the supply chain" from producer to consumer, regaining some of the power lost to retailers in the food industry. The organization's awareness of this area of opportunity has grown significantly," he says.

"But even more fundamental," he adds, "is that we never really had the confidence to base what we do on the co-op principles. This course gave my colleagues and me the confidence to say, 'This can be done.' Now, we recognize that we are in a unique place in the market. We're much more focused on what we are. And it's easier for us to explain what we do; we are very up front about it."

Bob refers to this as 'internal marketing', where the employees and members of the organization internalize the co-op principles and core values. This in turn enables everyone to be part of 'marketing our co-operative advantage' (or MOCA, a key concept of the MMCCU programme).

"As a result," Bob emphasizes, "our effectiveness and influence as an organization is growing, on the basis of people's trust in what we say. Our relationships with our members, clients, and other stakeholders are much clearer. And because we have greater clarity in our approach, the solution that's conveyed by co-operation is more readily understandable."

When Bob Yuill talks to someone in government now, that straightforwardness enables him to sell the co-op solution more easily, whether he's addressing a civil servant, a minister or an MP.

"They're more supportive," Bob says, "the agricultural strategy developed five years ago didn't refer to co-ops, except in broadest terms. The new one to be published this spring, we are sure, will be much more focused on the co-operative solution."

Deadline to apply for next cycle of MMCCU programme is March, 2006. Call (902) 496-8170 or (902) 863-0678 or visit www.smu.ca/mmccu

[END FINAL VERSION BOB YUILL INTERVIEW BY JANE LIVINGSTON, DEC. 28, 2005]