Course Syllabus
AAE 323 Cooperatives

Instructors: Anne Reynolds (atreynol@wisc.edu), 263-4775

Time and location: Tu & Th 1:00 – 2:15 P.M; 1420 Microbial Sciences Building

Course webpage: https://learnuw.wisc.edu

Office hours: Thursdays, 11:30 – 12:30 P.M.; Other hours by appointment
Room 235, Taylor Hall;

Course Description

Cooperative businesses exist in a wide variety of sectors within the U.S. economy, and represent a distinctive model for organizing labor, capital, and knowledge to produce goods and services. Studying cooperatives aids understanding of all aspects of industrial structure and business organization, and challenges conventional thinking about what it means for an economic system to be “capitalist”. Fundamentally, a cooperative firm represents a unique form of business ownership where “patrons”, rather than financiers, are business owners.

Course Objectives

- Understand the unique role and characteristics of cooperative organizations
- Apply understanding of cooperative principles to the management of cooperatives
- Develop interpersonal skills and tools for future work and study

Course starter

- First assignment: Send questions to me by September 5.

Class participation

- Arrive on time
- No laptops, ipads, smart phones etc. in class, except for accessing class docs.
- Check email and course webpage regularly
- If you are going to be absent, let me know ahead of class
- I will call on people whose hands aren’t raised. You are expected to complete the readings ahead of class.
- Assignments are due before class. They should be posted to the dropbox unless other instructions are given.

Evaluation
Evaluation will be based on these four factors:

- Individual performance: 25%
  - This will include grades on unit tests and participation in class
- Team performance: 35%
  - Most team-work will be in class. Evaluation factors will include team grades on unit tests and case study activities
- Peer evaluation: 10%
  - There will be two opportunities to evaluate fellow team members
- Final Exam: 30%

**Course Schedule**

*Please note that this schedule will most likely be updated, depending on guest speaker’s schedules.*

**Unit 1: Introduction to cooperatives**

**READINGS**


**September 3**

Course overview and objectives
Introduction to cooperatives

**September 5**

Pirate shipboard governance: Cooperation and constitutions

**READINGS:**

- Peter Leeson “Opportunism and organization under the Black Flag”, *Organizational Dynamics*, 40(1), 2011

**September 10**

Evolution of cooperatives: lecture and discussion

**September 12**

Quiz on Unit 1: Introduction to C cooperatives
Review and discussion
Unit 2  Fundamentals of Cooperative Management and Finance

READINGS:
Murray Fulton. “Financial model of the co-op”


September 17
Making strategic decisions: The case of Kinecta Federal Credit Union

READING
Peter Tufano & Andrea Ryan. “Blue ocean or stormy waters? Buying Nix Check Cashing”, Harvard Business School Case Study, 2009  (copies distributed September 8)

September 19
Dan Milbrandt, Chief Lending Officer, Summit Credit Union, will discuss credit union management and issues related to the case study

September 24
Fundamentals of Management & Finance:  Lecture and discussion

September 26
Case study: Making decisions on equity at Producers Cooperative Association

READING:

October 1
Cooperative marketing: the case of Organic Valley
Guest speaker: Tom Mosgaller, Milk Supply and Policy Manager, CROPP Cooperative/ Organic Valley

READING:

October 3
Quiz on Unit 2: Fundamentals of cooperative management and finance
Review and Discussion

Unit 3: Collective Entrepreneurship: Starting a cooperative business

October 8
Introduction to cooperative start-ups: market analysis and financial forecasts

October 10
Guest Speaker: Peter Kappelman, Board Chair, Land O’Lakes

October 15
Feasibility and financial models for start-ups: Team activity

October 17
Feasibility and financial models for start-ups: Team presentations; Team activity due

Unit 4: Cooperative management: Consumer, Worker and Producer cooperatives
READING:

October 22
Governance lecture and discussion

October 24
Cooperative management: Surviving and thriving in a high tech industry: Isthmus Engineering & Manufacturing.
READING:
Billeaux, M. et al. *Worker Cooperative Case Study: Isthmus Engineering & Manufacturing*, University of Wisconsin Center for Cooperatives Staff Paper Number 9, 2011

October 29
*Discuss communications assignment*
Cooperative growth: the case of Willy Street Grocery Co-op
READING:
Courtney Berner. *Willy Street Grocery Cooperative: Case Study*, University of Wisconsin Center for Cooperatives, 2011

October 31
Cooperative governance – Case study on Landmark Cooperative
Guest speaker: Bob Carlson, CEO, Landmark Services Cooperative

READING:
Anne Reynolds. “Benefitting from the board: A case study”. University of Wisconsin Center for Cooperatives, 2008

November 5
Unit 4 quiz
November 7
Assignment: Read case study and complete assignment: Producers Cooperative Oil Mill: A Case Study in Strategic Planning for a Cooperative by Phil Kenkel and Rodney Holcomb, Journal of Cooperatives, Vol. 25, 2011, pp. 82-96

UNIT 5: Cooperatives and cooperation

READING:

November 12
Review November 7 assignment; Discuss cooperative behavior and games

November 14
Natural resource cooperatives, global trade and social policies: Costa Rica
Case study: CoopeTarcoles, Tarcoles, Costa Rica

November 19
Field trip: Meet at Community Pharmacy, 341 State Street. Also visit Rainbow Bookstore Cooperative, 426 West Gilman Street

November 21
Managing natural resources cooperatively
Guest speaker: Nick Parker, Assistant Professor, Agriculture and Applied Economics
READING:

November 26
Guest speaker: Ole Olson, Isthmus Engineering Cooperative

November 28 – Thanksgiving Holiday

December 3
Value of cooperatives: Lecture and discussion

READING:

December 5
Unit 5 quiz
December 10
Review for exam

December 12
In-class section of the final exam (cumulative)
Receive take-home section of the exam

Take-home Exam due date: TBA

Suggested Resources

- University of Wisconsin Center for Cooperatives:  www.uwcc.wisc.edu
- National Cooperative Business Association: www.ncba.coop
- University of Saskatchewan Centre for the Study of Cooperatives: www.usaskstudies.coop
- U.S. Federation of Worker Cooperatives:  www.usworker.coop