

Short essays on
**MEMBER DEVELOPMENT
IN CONSUMER COOPERATIVES**



Pradit Machima
W.U. Herath
Daman Prakash



International Cooperative Alliance
Regional Office for Asia and the Pacific
New Delhi - 110065, India

ICA Library
334.5 MAC-S
ICA 00709

ICA 00709

**Short essays on
MEMBER DEVELOPMENT
IN CONSUMER COOPERATIVES**

**Pradit Machima
Daman Prakash
W.U. Herath**

334.5
ICA-S



International Cooperative Alliance
Regional Office for Asia and the Pacific
New Delhi - 110065, India



ICA 00709

**Short Essays on
MEMBER DEVELOPMENT IN
CONSUMER COOPERATIVES**

World Headquarters :

International Cooperative Alliance

15 Route des Morillons
CH-1218 Grand Saconnex
Geneva, Switzerland.

Telephone : (41)22-7984121
Telefax : (41)22-7984122
Telex : (45)415620 ICA CH

International Cooperative Alliance

Regional Office for Asia & the Pacific
"Bonow House," 43 Friends Colony (East)
New Delhi-110065, India.

Telephone : (91)11-6835123
Telefax : (91)11-6835568
Telex : (81)31-75025 DICA IN

October 1991 (500)

Contents

Foreword	...	v
1 Solving Cooperative Problems through Education and Training	...	1
2 A Brief Description of Cooperative Member Education	...	5
3 Adult Education and Cooperative Member Education	...	11
4 Steps in Organising Cooperative Member Education Activities in a Cooperative	...	16
5 Leadership Training in Cooperatives	...	21
6 Empowering Cooperative Members	...	26
7 Cooperative Societies are Like Human Beings - An Example of Extension Material	...	35
8 Strength of a Cooperative Institution	...	46
9 The Concept of Management Extension in Cooperatives	...	49

Foreword

Education of members of cooperative institutions whether they are consumer cooperative or agricultural cooperatives or agricultural cooperatives is the key factor in bringing success to any cooperative venture. Cooperative institutions are not social venture only. These are socio-economic institutions formed by the members themselves, governed by themselves and for themselves. It, however, does not mean that cooperative services are not available to others - outsiders. All outsiders, according to the philosophy and concept of cooperation, are the potential members of cooperative institutions. Cooperatives are to be run on professional lines and in accordance with the generally accepted economic principles. Business is the essence of a cooperative institutions. It is the success of the "business" that keeps the members together. It is the business that keeps the members together. It is the business that enhances and perpetuates participation of members for nobody would like to continue sticking to a sick institutions or to a business which does not hold any economic promise for them.

Enlightened membership and properly trained cooperative employees enable a cooperative institution to face a competition. In the present economic context cooperative institutions have to provide not only social services but economic services to the members. Awareness of cooperative principles, methodology and practices enables the members to understand the objectives of a cooperative institution better. Enlightened membership provides leadership. Skilled leaders are able to run their cooperative institutions better by taking proper business decisions and by having professional dialogue with the cooperative employees.

Cooperative institutions with the help of federal organisations and in collaboration with the Cooperative Departments often carry out member education activities with this sole purpose in view. Emergence of leadership is an important output of cooperative member education/extension activities throughout the world. For this purpose there is a need to develop coherent, systematic and feasible programmes of member communication or member development. There are various methods and techniques for carrying out member education activities. Cooperative extension workers or cooperative instructors have a key role to play in this activity. In order to enable the instructors and extension workers to carry out their promotional and educational tasks well, there is a need for their systematic training supported by well-considered and well-prepared extension material, audio-visual aids, field-oriented exercises, case studies, handouts and several other communication materials.

My three colleagues in the ICA Regional Office have been engaged in this important task now and in the past. They have worked and successfully demonstrated their abilities in creating educational material, its implementation and training of a vast number of extension workers and educational instructors. Mr Pradit Machima, ICA Advisor (Consumer Cooperatives Development) had been working in the field as a cooperative official looking after cooperative education, training and extension activities while working in Thailand as well as in Indonesia and Zimbabwe. He has produced a lot of material which was extensively used in Indonesia for the training of field staff engaged in cooperative member education activities. Mr Daman Prakash, ICA Regional Advisor (Development Planning) at the ICA ROAP was the Chief Technical Advisor of the ILO-Swiss Cooperative Management Training Project in Indonesia and also had served the ICA for a long time on various member education-oriented projects in India, Sri Lanka and Indonesia. His special contribution has been the development of training packages and a variety of member education, extension and training materials. Mr W.U. Herath, ICA Regional Advisor on Human Resource Development was, for a long time, the Principal of the National Cooperative School in Sri Lanka and also Head of the ICA/SCC Cooperative Teachers' Training Project in Sri Lanka. He specialises in the sector of human resource development. All of them have contributed significantly to this collection of essays on cooperative extension and development of material for the development of consumer cooperatives in the Region. I am grateful to them for their valuable contributions. I only hope that the presented material would be of some interest to those who are engaged in the process of development of members in the consumers sector.

I thank the Consumer Cooperative Development Project which is funded by the Japanese Consumers' Cooperative Union for sponsoring this publication for the benefit of fellow cooperators and field workers in this Region.

G.K. Sharma
Regional Director

Bonow House,
New Delhi.
20th September, 1991.

Solving Cooperative Problems through Education & Training

Pradit Machima

1. Introduction

Just like any other business organization, cooperatives also need capital, knowledge, leadership and managerial skill. Unfortunately, the majority of cooperative members in developing countries are poor, underprivileged, undereducated and inexperienced. That is why most of cooperatives in the Third World are not able to achieve their desired goals except the few. This is because of many concerned problems.

It is generally accepted that cooperatives will not and cannot be developed as long as their members are poor, undereducated and inexperienced in doing business. It is necessary, therefore, to improve the performance of cooperatives through education and training, especially the member education.

2. Problems of Rural Cooperatives

In general, there are four main problems affecting the growth and development of rural cooperatives. They are :

- 2.1. General problems;
- 2.2. Membership problems;
- 2.3. Cooperative problems; and
- 2.4. Bureaucratic problems.

2.1. General problems

These general problems relate with the national economic and social development of the country. Such problems are :

- 2.1.1. Poverty;
- 2.1.2. Poor infrastructure;
- 2.1.3. Low level of technology and skills;
- 2.1.4. High birth and death rates;

- 2.1.5. Tribal conflicts and political instability;
- 2.1.6. External problems; and
- 2.1.7. Natural calamities.
- 2.2. *Membership problems.*

Problems concerning cooperative members are :

- 2.2.1. Lack of land, capital and employment opportunities;
- 2.2.2. Low and unsteady income.
- 2.2.3. Low level of education and skills;
- 2.2.4. Low economic and social status;
- 2.2.5. Unstable family conditions;
- 2.2.6. Underprivileged and exploited;
- 2.2.7. Economic and social inertia:
- 2.2.8. Fatalistic;
- 2.2.9. Ill health; and
- 2.2.10. Lack of motivation.

2.3. *Cooperative problems*

Cooperative problems are the direct results of low quality membership. They are :

- 2.3.1. Lack of capital;
- 2.3.2. Lack of cooperative business knowledge and experience;
- 2.3.3. Lack of managerial skills;
- 2.3.4. Lack of adequate volume of business;
- 2.3.5. Lack of sense of belonging and owning;
- 2.3.6. Lack of leadership quality;
- 2.3.7. Corruption and nepotism;
- 2.3.8. Low wages;
- 2.3.9. Lack of qualified personnel;
- 2.3.10. High turnover rates of employees;
- 2.3.11. Lack of flexibility;
- 2.3.12. Poor location of business;
- 2.3.13. Lack of education and training; and
- 2.3.14. Lack of member participation and cooperation.

2.4. *Bureaucratic problems*

- 2.4.1. Outdated rules and regulations;
- 2.4.2. Concentration of power among civil servants;
- 2.4.3. Lack of cooperative business experience among civil servants;
- 2.4.4. Too much of red tapism;
- 2.4.5. Excessive control of management;
- 2.4.6. Too strict control of government financial inputs;
- 2.4.7. Excessive compartmentation between government departments;
- 2.4.8. Lack of coordination between government and financing institutions;
- 2.4.9. Least consideration for Cooperative Principles;
- 2.4.10. Inadequate cooperative training among government staff;
- 2.4.11. Tendency to control cooperative unions and institutions;
- 2.4.12. Tendency to depute government servants to manage cooperative Institutions.

3. **Why Problems Still Persist?**

The cooperative problems will continue to remain as long as the country is poor and the cooperative members are poor. There are no other short-cuts to solve cooperative problems unless all other problems and related problems are solved.

In other words, cooperative operations can be improved only when the national economy is improved and the living standards of members are improved. Based on certain assumptions as mentioned above it is generally accepted that cooperative development cannot take place without development of all others : economic, social, cultural and political. However, all problems cannot be removed and solved if proper measures are not taken.

4. **How to Solve Cooperative Problems ?**

Cooperative problems can be solved through certain measures such as the followings :

- 4.1. Identify cooperative and related problems through systematic studies and analysis;
- 4.2. Formulate the strategic plan to solve problems both on a short and a long term basis;
- 4.3. Reorganize the cooperative structure including readjustment of cooperative Bye-laws, rules and regulations in order to facilitate the performance of the cooperative;

- 4.4. Educate and train concerned officials at all levels as to how to implement the plan;
- 4.5. Educate and train members, Board of Directors and employees to improve their knowledge and skills both on cooperative matters and other related matters;
- 4.6. Hire qualified personnel;
- 4.7. Fire or punish corrupt officers and employees;
- 4.8. Correct all mistakes made in the past;
- 4.9. Try to learn certain skills and experience from successful cooperatives;
- 4.10. Ask for assistance from Government and other sources;
- 4.11. Improve internal checking and control systems;
- 4.12. Cooperate with all concerned agencies.

5. Solving Problems Through Education and Training

It is a common knowledge that all human problems can be solved by having an intimate awareness of social environment, appropriate technology, relevant skills and with a strong determination. This has been proved by achievements of cooperative movements in the West, especially in Germany, Denmark and Sweden. These movements have been trying to improve knowledge, technology and skills both in agriculture, cooperatives and business management and administration before they have developed themselves to the present day operational levels. They also had their share of failures and drawbacks in the past. But with a well-designed long-term strategy and programme they were able to overcome those problems. The main element of long-term strategy and programme they were able to overcome those problems. The main element of long-term strategy was education of members and training of officials. Therefore, we must plan for the long term development of cooperatives through education and training, because "Cooperation" is an economic movement employing educational action. Without proper understanding of cooperative systems and practices there will be no success.

The success of Japanese Consumer Cooperatives is outstanding. With the increase in living standards of people in Japan, the consumer cooperatives have also come up with innovations and responding to the needs of the community. The Movement's successes and diversifications are now spilling over rest of the Asia Pacific region. The development of Singapore's Fair Price Cooperative Chain Super Market is another good example. Members' awareness is of great value.

A Brief Description of Cooperative Member Education

Pradit Machima

1. What is Cooperative Member Education (Concepts)

Cooperative Member Education is the process of transferring cooperative knowledge and related matters to the members, board of directors, employees, farmers and the public.

2. Why do we need cooperative member education (problems & needs)

Because members and people in general do not understand well about the cooperative. What it is, how is it organised, what is the purpose, how does it work, and how to manage it. Besides, people have wrong ideas and bad image about the cooperative because of the poor management resulting from poor member education and poor member relation, mismanagement, corruption and others.

Therefore, in order to make them understand the Principles of Cooperation, the subject matters and related matters, as mentioned above and to improve the image of cooperatives we must teach and train them and guide them in a proper manner as to how to do it and improve it.

3. What do we want to achieve (objectives)

The objectives or purposes of organising cooperative member education programmes are :

- 3.1. To impart the cooperative knowledge and related matters to the members and the public;
- 3.2. To promote better understanding of Cooperative Principles, concepts, ideas, methods and practices and business operations of cooperatives;
- 3.3. To build up a good image of cooperative among the members and the general public;
- 3.4. To increase member participation;
- 3.5. To improve farm production, farm practices, farm marketing and farm business;
- 3.6. To improve standards of living of the members and the community;
- 3.7. To improve the management and the performance of the cooperatives;

- 3.8. To improve and support the government policy in economic and social development;
- 3.9. To promote self-finance; and
- 3.10. To build up a strong cooperative movement.

4. Whom to teach (Target groups)

In general the audience or the target groups are :

- 4.1. Members;
- 4.2. Community leaders;
- 4.3. Potential members;
- 4.4. Women and youths; and
- 4.5. General public.

However, at the very beginning we may have to concentrate on a small number of key leaders such as board of directors, school teachers, local and community leaders in order to build up leadership within cooperatives and the community. Then, gradually develops a full scale member education programme to cover all members, potential members, women and youths and the general public.

5. By whom (Teachers/Trainers)

Teachers/trainers or education/extension officers can be the ones who are capable to conduct the meeting, teaching and imparting education and extension activities and programmes such as :

- 5.1. Government cooperative officials;
- 5.2. Cooperative extension officers;
- 5.3. Board of directors;
- 5.4. Managers and employees;
- 5.5. Agricultural extension officers;
- 5.6. School teachers;
- 5.7. Others.

Moreover, the Governor, district officer and other Government officials can also be the promoters and supporters of the cooperative education and development within the area as well. These are the people who can influence policies and strategies. They have strong influence also over the officials and community leaders.

6. What to teach (Subject-matters)

Subject matters for rural or agricultural cooperatives can be general and specific as follows :

6.1. General

At the very beginning we may have to teach them very simple and general knowledge such as :

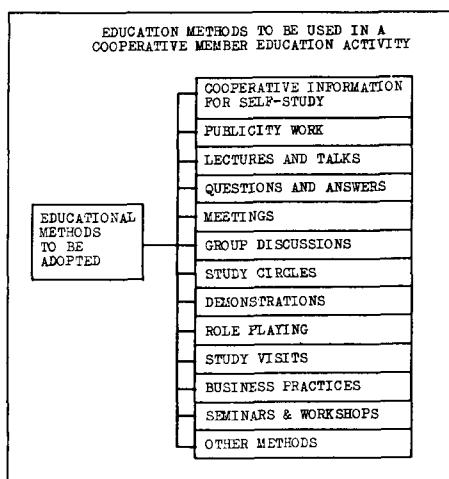
- 1) Rural economy;
- 2) Socio-economic problems of rural community;
- 3) Agricultural production and marketing;
- 4) Government policies on agriculture and cooperative development;
- 5) Principles, ideas and concepts of Cooperation;
- 6) Objectives of cooperatives;
- 7) Roles of cooperatives in economic and social development;
- 8) How to become cooperative members;
- 9) Rights and duties of cooperative members.

6.2. Specific

Later on when the members, key leaders and board of directors understand more about the basic concepts of cooperatives it can gradually move to specific subjects and higher levels of cooperative member education areas such as book keeping, credit administration, farm supply, marketing and processing etc. This can be decided by the district cooperative chief, and responsible officers, by the cooperatives and board of directors and employees and by the needs of the members and the cooperatives.

7. How to teach (Methods)

There are various methods and ways of teaching and organising cooperative member education activities as shown below.

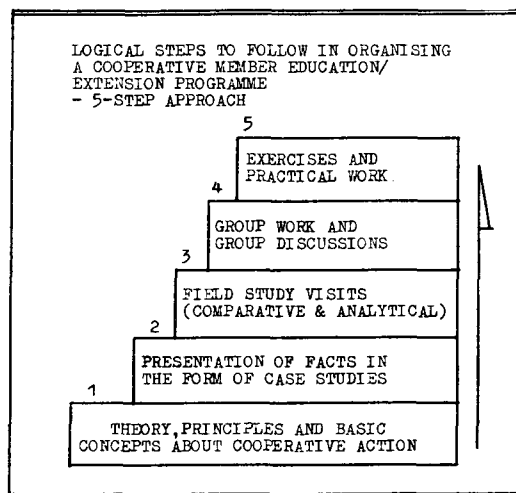


8. What is the approach (Techniques)

In order to help the members or the audience to learn better we must try to arrange the programme in a very simple but systematic manner.

A good education programme must begin with a basic knowledge and start from where they are and from what they know. Then new knowledge must be related to the old and the pace of learning must be adjusted to members capacity. So, the programme must be well-adjusted to the members problems and needs, the cooperative problems and to the levels of members understanding.

In general a complete education programme must cover all five steps of learning process: basic knowledge, presentation of facts, field visits, group discussions, and exercise as follows :



Who are responsible for cooperative member education (organisers)

Ideally and theoretically the cooperative and the cooperative movement are responsible for it. However, for the present situation the Ministry of Cooperatives, the National Cooperative Council and the Cooperative Organisations (National, Provincial and district levels) are responsible for it. Therefore, member education programmes at all levels should be jointly organised by :

The Ministry of Cooperative;
The National Cooperative Council, and
The Cooperative Organisations.

10. Educational Funds (Budget)

Funds for organising and implementing cooperative member education actively is indeed very important. Therefore, it is necessary for all concerned agencies : the Government, the Cooperative Council and the Cooperatives to allocate certain amount of funds for this very purpose. At the very beginning the Government should be responsible for it, but gradually the Cooperative Council and the Cooperatives (at all levels) should gradually take over the responsibility for this programme.

11. Cooperative member education committee (organisers)

In order to carry out member education programmes more effectively and successfully the “cooperative member education committee” should be formed at all levels : national, provincial, district and primary cooperative. This committee will be responsible for all activities regarding cooperative member education including the planning, budgeting and implementing the programmes. The Committee shall identify the resources and required manpower for putting the plan into action.

12. Programme arrangement (Planning)

In organising cooperative member education/training programmes whether for members, board of directors, employees and for the Government cooperative officials one must consist all necessary components such as the objectives, the target groups, the subject matters, the trainers and the trainees, the funds and others as the following.

STAGES OF PROGRAMME PLANNING IN A COOPERATIVE MEMBER EDUCATION PROGRAMME	
TOPIC	1
OBJECTIVES	2
PARTICIPANTS	3
TRAINERS & EDUCATORS	4
TEACHING MATERIAL	5
METHODS AND TECHNIQUES	6
SUBJECT AREA COVERAGE	7
PROGRAMME DURATION	8
PLACE/VENUE	9
BUDGET	10
ACCOMMODATION	11
EDUCATION COMMITTEE	12

Implementation of a Cooperative Member Education Programme is basically the responsibility of a cooperative institution. It is implemented to create and develop enlightened members and well informed leaders. These are the two basic components to ensure an effective participation.

The programme has to be made in a systematic manner following all the above mentioned steps. It should be reasonable, realistic and not too ambitious.

Adult Education and Cooperative Member Education

Pradit Machima

1. What is Adult Education

Adult education is a learning process for adults, a non-formal education or an out of school education. Usually it deals with a vocational training or practical work of specific subject such as agriculture, fishery, cottage industry, family planning, community development, cooperative and others. Education of adults is organised to improve their knowledge and to help them learn some basic skills at their own pace.

2. Why Adult Education?

Adult education has been one of the most important subjects of the developing world today. This is because the world is changing and it changes so rapidly. New ideas, knowledge, technology and devices have been introduced and put into practice every day. Therefore, it is necessary to teach farmers and cooperative members to keep up with the world, otherwise they will not be able to adjust themselves to the new situations and cannot compete with others. In the fast growing countries like Japan, South Korea and Taiwan adult education is very important for agriculture and rural development, because they (the farmers) have to acquire new knowledge and improve farm practices to increase their production and their earning capacity. That is why these farmers are very productive and progressive.

3. Characteristics of Adult Education

Main characteristics of adult education are:

1. Non-formal;
2. Learning-by-doing or practicing;
3. An integral part of one's activities or career;
4. A self-development process;
5. A continuing process or a life-long learning process.

4. Objectives

Any adult education programme whether for agriculture, cooperatives, community development, family planning or rural development aims at :

1. Improving one's knowledge, values, beliefs, attitudes and skills;
2. Increasing one's earning capacity and social status;
3. Improving standards of living of one's society or community;
4. Developing the national economy.

5. Cooperative Member Education and Adult Education

Cooperative member education is an adult education process.

It is based on a non-formal education system. The education activities can be arranged and conducted at any appropriate time and place. No regular programmes and specific methods are required. All arrangements depend on the members' activities, members' needs, cooperatives' activities, problems and needs, levels of member understanding, available facilities and local situations.

In general, cooperative member education deals with:

1. Cooperative knowledge'
2. Members occupation or activities;
3. Cooperative activities and planned activities;
4. Cooperative business management;
5. Cooperative performance;
6. Member participation;
7. Leadership training and adult education;
8. Government policy, instructions, regulations and rules;
10. Roles of cooperatives in economic and social development;
11. Other related matters.

6. How Adults Learn

Adults learn through hearing, seeing, sensing and practicing. So, we must arrange the programmes for them to learn in such a way that they can hear, see, appreciate and practice it, especially through practicing, because the final objective of adult education/learning is to help them to do better work. And once they are able to do it they want to learn more. But the learning process must start slowly and

follow these rules.

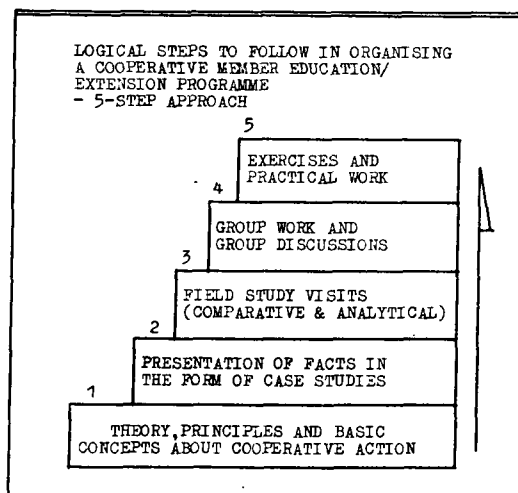
1. Begin where the learner is.
2. The new must be related to the old.
3. The pace must be adjusted to the learner's capacity.
4. The best time to learn something is when it is needed most.
5. Learning must be meaningful, and the main idea must be brought to the attention of the learner repeatedly and emphatically.
6. Provide opportunities for practice or observations.
7. Learning must be satisfying.
8. Progress must be constantly appraised and redirected.
9. Recognition of achievement should be provided.
10. There should be a friendly atmosphere.

7. The Approach (Techniques)

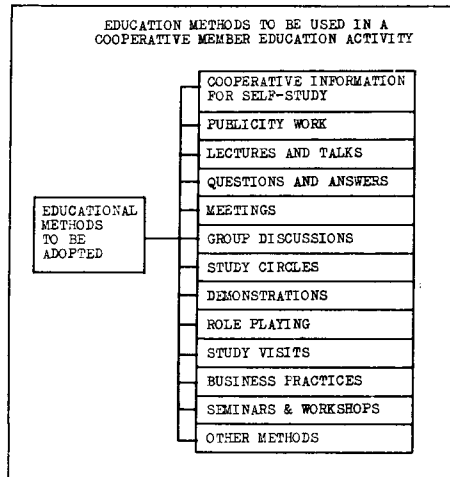
In order to help adults learn better we must try to arrange the programme in a very simple but systematic manner.

A good education programme for adults must begin with a basic knowledge and start from where they are and from what they know. The new knowledge must be related to the old and the pace of learning must be adjusted to members' capacity. So, the programme must be well-adjusted to the members' needs and to the levels of members' understanding.

In general, a complete education programme must cover all five steps of learning process: basic knowledge, presentation of facts, field visits, groups discussions, and exercise as follows:



There is a wide range of methods which could be employed in the education of members. The selection of educational methods is also important. This depends on the skill of the teacher. Details of methods used in adult education are shown below :



8. Leadership Training

Leadership training is indeed very important for cooperative development, because members tend to follow their leaders in behaving or doing business. Therefore, we must train or upgrade the quality of cooperative leaders to enable them to lead and train others in agriculture, cooperatives and other aspects of economic and social development, especially in the field of adult education. These are communication, member education and extension, member relations and member participation, human relations, decision making, planning, business operations and principles and practices of cooperatives.

9. Organisation

Cooperative member education for adult (members) can be organised by any concerned agencies or organisations such as by the cooperative society, cooperative federations, Cooperative Council, training centres, Government Cooperative Offices both at provincial and at district levels and by other Government departments and institutions.

In organising an adult education programme one must try to do it according to needs and levels of the member understanding. Moreover the programme must gear toward occupation and the well being of the members. The adult education/ learning programme must be purposeful, challenging, and satisfying. subject matter content must be significant for the learner and useful to them and it should be organised into meaningful units, adjusted to their capacity. Objectives must be clear and specific so that adults can take home something definite. These may be to learn a skill or to solve a problem. The atmosphere must be friendly, and every effort should be made to avoid criticism and to give learners encouragement or credit for their ideas and accomplishments.

Adults comprehend spoken words better than written words. It is essential that the instructor uses simple well-chosen words, and talks directly to the audience in a friendly manner. He should bring to the attention of the learners the main points to be learned so that their interests can be developed, desire created and action promoted. To achieve this, the instructor should be able to use skillfully the various extension teaching methods.

Steps in Organizing Cooperative Member Education Activities for a Cooperative

Pradit Machima

A cooperative member education programme for a cooperative can best be developed if a proper plan is carefully prepared. In general, there are eight steps in organizing cooperative member education programme. They are :

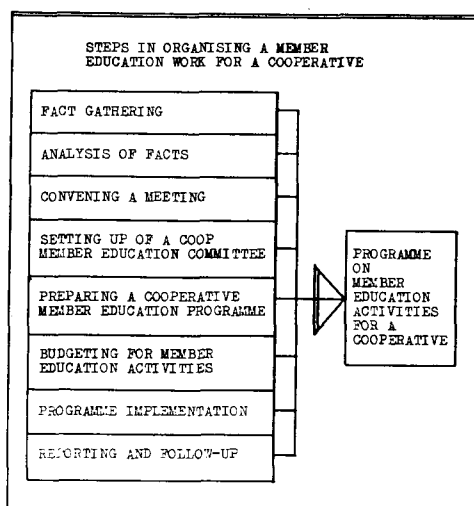
1. Fact gathering;
2. Fact analysing;
3. Call for a meeting;
4. Set up a cooperative member education committee;
5. Preparation of an education programme;
6. Budgeting for member education activities;
7. Implementation;
8. Reporting and follow-up.

Prior to a preparation of cooperative education programme, facts and information related to cooperative activities and cooperative operation must be collected. This will help the planner to understand the actual situations of the cooperative more clearly. For example the structure, the business activities, the problems and the solution. Therefore, fact gathering or data collection is the first step to be taken up for the preparation of cooperative member education. Necessary information is needed on :

- 1.1. General : History of the cooperative, socio-economic background, objectives, organizations, by-laws, rules, regulations and achievements;
- 1.2. Membership, member education and member participation;
- 1.3. Assets and liabilities;
- 1.4. Business organization;
- 1.5. Business operation;
- 1.6. Impact of cooperative work on area development;
- 1.7. Problems;

- 1.8. Potentiality for improvement;
- 1.9. Solution and recommendation for member education.

These facts will help the Board of Directors, leader members, employees and government officials understand the cooperative problems properly, and at the same time to enable them to develop a realistic plan for cooperative member education and development of the Cooperative Society.



2. Fact Analysing

Facts and information collected must be analysed. This can be done in a very simple way by comparing the situation of one year with the others or comparing the situation of one society with the others. And at the same time trying to reason why it is being so and how to correct it and improve it. The analysed information can be used as a base for member discussion, member education, business planning and cooperative development. Without situation analysis no correct measure for cooperative education and cooperative development programmes will be based on reality and on the level of development of the co-operative.

3. Call for a Meeting

After the informations collected and analysed the Government officer in charge of member education must arrange for a meeting in order to present the finding to the meeting and at the same time to discuss the problems and plans for cooperative development. The meeting should comprise :

- The village Chief
- The school teachers
- The Cooperative officer
- The Agriculture extension officer
- The A.F.C. representative
- The G.M.B. representative
- The Chairman of cooperative
- The manager and his staffs
- The Board of Directors and Board of Supervisors
- The Leader members (between 10 - 20).

The meeting may take a long time, from 2-4 hours, depending on the agenda and the subject matters to be discussed.

In General, the meeting will cover :

- 3.1 The general situation of the cooperative;
- 3.2 The problems encountered in the co-operative operation;
- 3.3 The suggestions for co-operative development;
- 3.4 The co-operative member education plans; and
- 3.5 The implementation of the education programme.

The meeting should discuss intensively about the co-operative education programme, how and why, who is going to be responsible for it, when and in what manner, and what will be the cost and the outcome of the education programme. The discussion must be clear, easy to understand and in a very friendly manner. Finally, the conclusion must be made on how to organise a co-operative member education programme. This will cover :

- 3.1 Appointment of a co-operative member education committee;
- 3.2 Preparation of an education programmes; and
- 3.3 Implementation of the member education programmes.

4. Set up a Co-operative Member Education Committee

After the meeting is held and the agreement on the co-operative member education is made, a co-operative member education committee must be set up. This committee will be responsible for all activities concerning co-operative member education. Therefore, a committee should cover a wide range of people from the CDO, the agricultural extension officer, the cooperative education officer to the manager, the Chairman and the Secretary of the co-operative. However, representatives from related organisations such as the A.F.C., the GMB, the school and the village chief should also be included. The manager or the secretary of the co-operative should be the secretary of the committee.

Duties and responsibilities of the committee are :

- 4.1 To prepare member education programmes;
- 4.2 To organise co-operative member education activities;
- 4.3 To raise funds for the member education;
- 4.4 To meet regularly to discuss the problems of the co-operative and to solve its problems;
- 4.5 To advise the co-operative on all matters;
- 4.6 To implement the member education activities; and
- 4.7 To keep records of the meeting, the activities and to prepare a report.

5. Preparation of a Member Education Programme

A plan or a programme for co-operative member education activities must be prepared in advance. It may cover both a short-term and a long-term programme. The preparation should cover;

- 5.1. The objectives;
- 5.2. The methods or techniques;
- 5.3. The subject-matters;
- 5.4. The teaching materials;
- 5.5. The audience;
- 5.6. The timing;
- 5.7. The places;
- 5.8. The budget;
- 5.9. The organizer, the teacher and the discussion leaders;
- 5.10. The general campaign.

6. Budgeting

A budget for education programmes or activities must be prepared in advance. The fund for education activities can be drawn from three sources : the Government, the cooperative and the external source. The budget will be jointly prepared by the co-operative office and the Cooperative.

7. Implementation

After the programme is arranged the education activities should be initiated or implemented. At the initial stage the CEO or Government cooperative extension officer should be assigned to undertake the activities until it is assured that the cooperative can undertake them on its own. Thus, at this stage the Government officer should be appointed as a secretary of committee.

8. Reporting and Follow-up

A cooperative education is a continuing process. A good and successful programme will result in a good performance of the cooperative. Therefore, the committee must be able to keep good records of the education activities and the results of the programmes in order to assess the performance of overall programme of the cooperative, especially the evaluation of the education activities must be made in order to help improve a better programme in the future.

Leadership Training in Cooperatives

Pradit Machima

What is leadership?

Leadership is the ability to guide, persuade and influence others in decision making, doing business and committing oneself to specific objectives.

Leadership is the ability to command respect, cooperation, loyalty and support from the members and the public.

Leadership is the result of good judgement, right decisions, human understanding and achievement.

Leadership is the combination of knowledge, intelligence, hard working, courage, honesty, tactful, devotedness and achievement. Without achievement, there will in turn, be no support, no followers and no leadership.

Areas of leadership

Leadership can be found in many professions or activities, for instance:

- Military
- Politics
- Economic
- Social
- Religions
- Business and
- Cooperative

Forms of leadership

In general, there are three forms of leadership: dictatorial, democratic and a combination of the two or the middle-of-the-road leadership.

Dictatorial leadership is the rule of one man. It exists in a country or a society where the majority is illiterate or where the country or the society is facing a great difficulty or danger such as during the war or during the great crisis.

Democratic leadership, on the contrary, is the rule of the majority or the parliamentary rule, in which everybody has a share or at least a chance in a decision making or in a business. However, this situation will be best suited only in a literate society. Without knowledge and education, successful democratic rule can hardly be expected to exist.

The middle road leadership is the combination of the two, but a strong leadership under the few and on democratic lines. This is the ideal for cooperative organizations, especially in developing countries where education standard is low and cooperative work is still developing.

Duties and Responsibilities of Leaders

In general, a leader is the chief, the administrator, the organiser and the commander of the organisation. He is the one who is responsible for the business, the success and the well-being of the organisation or of the society. His duties are broad in nature including:

- To serve the members and the public;
- To guide the followers and others;
- To teach the members and the public;
- To advise the partners and the followers;
- To make a decision and a plan of action;
- To compromise among the factions;
- To bring unity among the members;
- To fight for justice;
- To lead and to show confidence; and
- To bring the success to the organisation or to the group.

Characteristics of Leaders

As mentioned earlier, leadership is the ability to command respect, co-operation, loyalty and support from others. Therefore, leaders should be men or women of great quality, full of courage, driving force, honesty, intelligence and devotedness. As good leadership is vital to achievement and success, the leader should therefore possess special qualities, such as:

- Knowledge and experience;
- Intelligence;
- Driving force;
- Good judgement;
- Honesty;

- Courage;
- Hard working;
- Devotedness;
- Impartiality; and
- Achievement.

A leader can be a chief, a teacher, a counsellor and a friend. He takes risk and leads in a time of danger and difficulty and stays behind in a time of success.

A leader should be able to communicate, to think ahead and to plan for future action.

A good leader should also lead as much a simple life as that of the majority of the people. He should understand the way of life and the thinking of the masses. He should be able to understand their problems, share their sorrow and hardships, and try to solve problems with them and for them. He should not, in any way, show his temperament, selfishness and discourage people. Equally important, he should not lead his followers too far in any issue or in any direction beyond their knowledge and capability. He should be able to make them understand what he thinks and what he is going to do. Otherwise, efforts will be lost and plan of actions disconnected.

Leadership in Cooperative Organisations

Cooperative leadership is the ability to run successful cooperatives. Examples are consumers' cooperatives in Sweden and Finland, agricultural cooperatives in Japan and West Germany, dairy cooperatives in Denmark and India, and Savings and Credit Co-operatives in Singapore and Land Settlement Co-operatives in Transmigration areas in Indonesia. The achievement of these cooperatives is the result of effective business operation generating from the business experience, hardwork, education and training, courage and determination of leaders. These people have done their best to develop cooperatives within their countries. Every year hundreds of educators, cooperators and cooperative leaders have visited these countries to learn about their successes. In this light, it is necessary to build up a strong leadership within the cooperative movement in India, Indonesia, Thailand etc. in order to make it strong and effective.

Qualities of Cooperative Leaders

Cooperative leaders are those who organize and run cooperatives; plan

for cooperative development and fight for the progress and growth of cooperatives.

Competent cooperative leaders should understand clearly the basic concept of cooperation, its principles and practices, its organisation and administration, its impact on economic and social development as well as its problems and solutions.

Cooperative leaders should be able to identify/delineate cooperative problem areas and find means towards remedying/eradicating them.

He should be able to understand the business organisation and administration of cooperatives. He should know how to plan, operate and control the cooperative. Above all, he should know how to educate and train others to work efficiently in cooperatives and for cooperatives. He should know how to organise and conduct education activities such as group meeting, group discussions, study visits or other similar activities. He should be able to lead them in all respects including behaving himself in a respectable and proper manner.

To this end, cooperative leaders should, in themselves, possess certain extent of qualifications such as experiences in doing the business, intelligence, good judgement in decision making, tactful and courage, faithfulness, devotedness and selflessness. Additionally, he should be simple, approachable, understandable, human and willing to work with the people and for the people.

Cooperative Leadership Training

Leaders are not born they are trained. No one can become a good leader without being tried and trained. Therefore, it is necessary to educate and train leaders before sending them to work.

Training can be done in many ways, such as through working in the cooperative organisation, through reading and doing research, through study visits, through formal education and through adult education. However, there is no one single way education which is an assured way. It must be broad-range combination among them all including long experience of working in the cooperative field.

In this respect, training for cooperative leaders should include the basic concept of cooperatives, its principles and practices, its organisation and administration, as well as its operation and business practices. It should also embody organisation, human factors, adult education and cooperative education.

In general, leadership training in cooperatives can be accomplished through group meeting, group discussion, seminar and workshop and study visit.

Areas of Leadership Training in Cooperatives

Subject-matters to be included in such training are:

- Principles and practices of cooperation.
- Cooperative organisation and administration .
- Cooperative operations and management.
- By laws, rules, and regulations of cooperatives.
- Duties and responsibilities of members, Board of Directors, manager and staff.
- Cooperative planning.
- Roles of cooperative in economic and social development.
- Roles of government in cooperative development.
- Relationship between cooperatives and other organisations.
- Communication and techniques of adult education.
- Cooperative education and training.
- Leadership training.

Conclusion

Leadership is the ability to guide, persuade and influence others in decision making, doing business and committing oneself to specific objectives.

Cooperative leadership is the ability to build up a strong and successful cooperative through efficient administration, better communication, improving education, good planning, devotedness and active member participation.

Leadership training in cooperatives can be achieved in many ways through working in cooperatives, a formal training and adult education.

Success or failure of cooperatives depends largely on the quality and the capability of cooperative leaders. This is especially true in the developing countries. Thus, it is necessary to build up a strong cooperative leadership within the cooperative movement.

Empowering Cooperative Members

W.U. Herath

Ideally the subject may look irrelevant. Since the co-operatives are formed by a group of people having similar economic needs, it is understood that they manage the enterprise. Historically it is a fact. When Rochdale Pioneers formed their volunteers' cooperative, there was no issue on empowering members as they managed the society themselves.

The concept of co-operative is used by many political ideologists today to achieve their ideals, more than the co-operatives as voluntary organisations. Pseudo-co-operatives too have emerged to achieve goals other than co-operation. Co-operative principles themselves have been subjected to many changes in the past. It is a subject still under debate. The governments promote co-operatives. Political parties, trade unions, welfare organisations too promote co-operatives. The base level organisations have some thing more to achieve other than co-operative ideals through such promotion. In the process, power balance in co-operatives has been gone out of control from the members to a greater extent.

In this complicated background, we have come to a stage of talking about empowering members. This may be irrelevant still at least in the case of small voluntary co-operatives managed by members themselves.

The scenario we are concerned here is the Asian Region. With the assumption that co-operatives exists within a political frame work of a given country, the level of empowerment may change generally.

We may have to define the term empowerment. Socio-psychological interpretation appears to be relevant here. Empowerment here means that the persons who are responsible and accountable for their own actions and outcomes are given authority and power to decide and act themselves through their courses of action on their needs and enjoy the outcomes whatever they may become. They would go through the action, reflection and action process themselves.

It is necessary to discuss the empowerment of members in co-operatives in relation to the management of their organisations, in order to get an idea of the co-operative management the societies have.

Let us consider a model we could use in evaluating different type of

managements in co-operatives in terms of the members empowerment level:

Type of Management in co-operatives	Type of Role played						Summary of member participation levels	
	Policy Making	Planning	organisation	Direction	Progress control	Evaluate results	Active	Passive
	Act. Pass.	Act. Pass.	Act. Pass.	Act. Pass.	Act. Pass.	Act. Pass.	Act.	Pass.
1. Members								
2. Professional managers								
3. Oligarchial leaders								
4. Government Officials								

In order to assess this, we could ask and give marks on the basis of following questions:

* Who lays down the policy in regard to investment, manpower, trade and distribution of surplus?

* Who undertakes planning of society business?

Whether the members are involved? If so, how?

Who collects data?

Who provides data?

Who computes data?

Who forecasts business?

Who sets business targets?

Who decides on social activities? how?

* Who organises business/social activities

- Reallocation of resources - capital, manpower, facilities,

- Setting time schedules and targets,

- Organising social events,

* Who directs business and social activities?

- Chain of command,

- Span of activities,

- Supervision,

- Procuring, supplying selling, etc.
- Managing finances.
- * Who does progress control?
 - Control in terms of business targets, time schedules, etc.
- * Who evaluate results?
 - Assess in terms of business targets and time schedules,
 - Impact on members, leadership,
 - Impact on organisation development.

Now we will be in a position to ascertain whether a given co-operative organisation is actually member managed, where they are actually empowered.

Generally speaking, many co-operative movements in the Region, specially the movements promoted by outsiders other than members themselves such as government, suffer from various levels of empowerment deficiencies.

The problem prevails for the promoter of a genuine co-operative movement to analyse the existing situation in order to get to the root cause of the effect. His vision is the establishment of a self-reliant co-operative movement owned and managed by members. What prevents him of achieving this vision?

There is a vast amount of research literature on the subject. However, the basic problematic issues in development remains the same. Some of the generally perceived problems are:

- Strong government intervention in decision making,
- Domination of power groups in the villages - these groups may be political, social, religious or criminals,
- Traditional social structures segregating or classifying the community into God given levels in the community,
- Fatalism,
- Ignorance of people about their socio-economic environment,
- Oppressed rule by authoritative regimes,
- Illiteracy (Here the emphasis is functional illiteracy),
- Wrong or inadequate concepts and approaches used for empowering members.

Participation is the basic means for empowering members. This participation may also have two types: negative participation and positive participation. Domination of one or few individuals is negative participation. Naive responses shown by members is another negative way of participation. These elements would hinder basic values in a co-operative society, such as equality, mutual respect, empathy and self reliance. The question is how to ensure equal and empathic participation in a collective process of achieving vision common to the group.

In this presentation, we will deal with the wrong or inadequate concepts and approaches to member participation.

Traditionally, specially in the case of ex-British colonies identified member participation with member education. Many trainers appear to perceive enhancement of member participation as member education. Empowerment is realised through participation. Member education is one of the means for participation. Creating awareness, critical consciousness are some of the related results achieved through member education programmes which create a base for empowerment.

It is relevant to consider the basic assumptions of co-operative member education activities in order to assess the compatibility of such concepts to actual empowerment. Many of the member education programmes are created on the pedagogical approach to education. The traditional pedagogies which are based on theory of human-management, treat the trainees as empty barrels. This concepts has following assumptions:

- The average human being has an inherent dislike of work and will avoid if he can.
 - Because of this human characteristic of dislike of work, most people must be coerced, controlled, directed, threatened with punishment to get them to put forth adequate effort toward the achievement of organisational objectives,
 - The average human being prefers to be directed, wishes to avoid responsibility, has relatively little ambition, wants security above all.
- (Human side of Enterprise by Douglas Macgregor)

Douglas MacGregor tried to conceptualize the thinking passed on through generations of authoritative rule of a group or class of people in the society. Public education in many ex-colonies has the same philosophical assumptions when they design the school systems. The co-operative educators who picked up training strategies and curriculum designs from such school systems tend to have the same approach to co-operative member education. Then, what are the general characteristics of such an education programme?

- The curriculum is designed by professional educators who do not have much experience in practising co-operative enterprise.
- The curriculum has the assumption that trainees know nothing about co-operative ideology and practice,
- The training activities are structured with minute details and timings,
- The content does not reflect on the current problems and needs of the target groups,
- The theory and practice of co-operative is taught as a dogma without relation to life,
- The activities are designed in such a way that the teacher would have major control with training event,
- The training activities engage one-way communication method such as lectures,
- The sessions have the teacher domination over the group. The assumption is that the teacher knows every thing and has answers but learner knows nothing. They become passive listeners,
- The teachers are normally drawn from the specialised co-operative training institutions, government departments or ideological apex unions.

Do the members get empowered after going through series of training programmes held in class rooms? The members receive a theoretical information about co-operative practices which is not necessarily related to their ongoing process. The dichotomy exists between the theory and the management of co-operatives by power groups, professionals or the government officials. Many a times, even the theoretical expositions on the co-operative ideology clashes with the existing management practices though not much conflicts are shown.

Even in the case of genuine attempts to empower members through such a training, the learning is not experiential enough to change the existing process of management. The learners cannot receive ideas as to how to change the decision making process in order to take charge of planning and implementation process of business of their co-operatives. As an example, let us assume that the planning of business is done at present by professionals and getting the general body to approve it. The members only participate in providing data and the decisions on targets lie with the professionals. If the members are to take charge of all decisions including setting targets through incorporating individual economic targets with groups targets, theoretical class room teaching will not provide strategies applicable to the group as the sessions are designed with the assumptions discussed elsewhere.

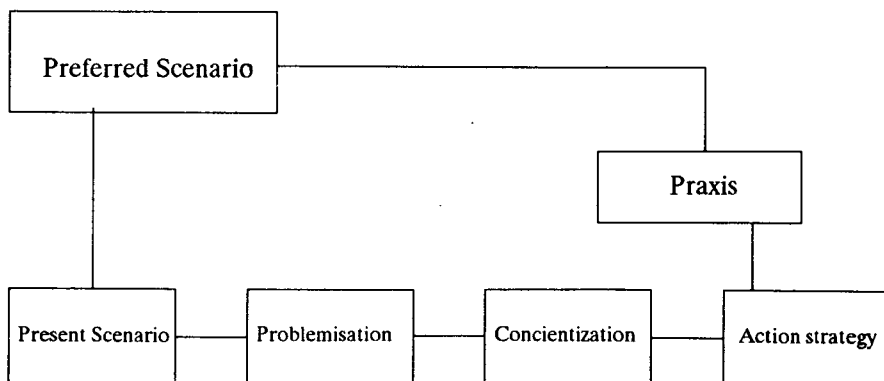
Therefore, the foundation of co-operative education should have different base consisting the following:

- Co-operative education starts with an economic process,
- Learning is received through doing,
- Learning process is implemented through sharing experiences of learners and facilitators who work on equal basis,
- It is considered that learners are separate individuals having their own personalities and potential to learn and create.
- Context is created by the learners themselves through their experiences and only the process and the environment is created by the facilitators.

In this situation, the so-called co-operative educators or teachers are called facilitators as they facilitate the learning of the group. They do not impose their teachings or ideas on the group and only elicit and consolidate ideas of the group.

Learning starts with the groups' level of development. They become self-reliant in action and thinking.

In this approach, the co-operative education is achieved through eliciting individual needs, aspirations and ideas to become group visions for which they will be committed to achieve. The members would become empowered through problem posed education. This model can be shown as follows:



A co-operative organisation is formed to evolve a joint effort on self-reliant basis in order to achieve a common vision of the group. They would attempt to proceed from the present scenario of the existing situation to a preferred scenario of the future. Every individual has a vision of his/her future though it may not be realistic at some times. A group having common problems would act as an individual. This future vision has to be filtered to become more realistic and rational. Therefore, it has to go through a process of rationalisation and designing strategies for action. The steps provided in the model takes the group through such a process. Let us examine them.

The process of problemization helps the group to critically evaluate their life situation and environment to identify the obstacles for not achieving their visions or preferred scenario. The group visions are always in relation to their life as an individual, family or the community. Therefore, they become more social than economic. These social visions are realised through economic process. Let us say the villages suffer from deceases connected with diarrhea. Their common vision for future would be a community without gastro entritis deceases. In order to achieve this, they have to have toilet facilities for each family and unpolluted water. If they don't have enough capital to construct latrines, they may have to undertake an economic project to earn enough money to construct latrines. Money is a means to achieve better life.

As mentioned, the problemization needs problem posing approach. The group ask questions themselves 'what obstacles do we have?' 'Why do we suffer from this?'. They have to keep on asking question in order to distinguish between symptoms and actual causes. Let us take an example. The situation is people are dying of diarrhea. How do they catch diarrhea? The water and food they drink and eat are polluted? How this pollution comes? People use open spaces and water streams for their toilet purposes. Why do they do that? They do not have latrines at home. Why don't they have latrines? They do not have money to construct latrines even if they have some space at the homestead. Some don't have space or huts even. They live in the street. This kind of intellectual inquiry can come within a group itself. They critically evaluate their experience.

The conscientization is a process in which people achieve an indepth awareness, both of the reality which shapes their lives and of their capacity to transfer that reality. Firstly introduced by Paulo Frire(Ref. Pedagogy of Oppressed), the concept has been incorporated into innumerous number of community development and adult education models. Based on problem posisng and dialogue, the group become conscious of the environmental forces which govern their lives. It is not naive but critical and objective. When they perceive the dialectics of the situation, they would be in a

position to find solutions among themselves by probing into their own capacity and potential.

Next comes the stage of developing action strategies. It is an act of identifying and choosing realistic courses of action for achieving their visions under adverse conditions. Brainstorming is the method the group uses for the purpose. Divergent thinking and creativity is essential to identify best alternatives. Divergent thinking assumes that there is always more than one answer. In a brainstorming session, the groups adapt several approaches:

- Suspending personal judgement,
- Allowing members to come out with as many strategies as possible, whatever they may be,
- Use one idea as a take off point for another,
- Clarifying alternatives,
- Measuring the alternatives in terms of the use of resources and time dimensions.

Once the best strategy has been selected, the group moves into action. Freire broadened the concept of action by using the term praxis which incorporates the entire process of action, reflection and subsequent action. It is an interplay between action and reflection and the systematic reflection of action. When the group goes into action on their strategy, they undertake spontaneous reflection on the outcome in relation to the ultimate goal or vision. They critically evaluate the means and the result. Then they either go into the next step of action or modify the action. Critical evaluation about their own action brings them the necessary power for action. They would go through the entire process of action until they realise their vision.

In this empowering process, does the facilitator have a role to play? Some times they are termed as animators. Animation is used as a process of assisting people to think, reflect and act autonomously by helping to build up their intellectual capacities and knowledge base. Facilitation is used as assisting people to acquire practical skills to improve their access to resources, and to act.

Firstly they induct the group into the empowering process using one appropriate model. Proper thinking on concepts are essential for the group. They do it by incorporating variety of ideas and approaches into a convergent model.

What do they do during various stages of empowering process?

- They help the groups to determine realistic and attainable visions,
- They help the group to identify and clarify their obstacles,

- They help the groups to develop action strategies,
- They help the group to act on what they learn through out the process.

Empathy is the basic psychological foundation to become a facilitator,, animator or a helper. They maintain certian values in performing their roles:

- | | |
|------------------|------------------------------|
| - Pragmatisation | - Genuineness |
| - Competencies | - Client-self responsibility |
| - Respect | - Ethics |

In the foregoing discussion, I tried to discuss the integration of education and participation to achieve an empowerment of members to become self-reliant in thinking and action, in relation to the realisation of their vision through common actions. They decide on what they want to realise from the co-operative for betterment of their lives. Their creativity and experience would provide content of their discussion. Through mutual respect and empathy, they experience the way of cooperating with each other. Fundamentals of co-operative principles are perceived through experiential learning than from a book. Going through the process of setting action strategies and praxis, they learn to become self-reliant in thinking and action.

Cooperative Societies are like Human Beings . . .

- An Example of an Extension Material from Indonesia

Daman Prakash

Quite interesting . . . Cooperative societies are indeed like human beings. Yes, they are. And handle them tenderly and with care. They need to be nursed and nourished to make them strong and productive. Yes, it is true! Let us look at this statement more carefully. Two aspects : 1) as training or extension material, and ii) as a method to highlight the importance of operating a cooperative society. In cooperative member education (extension) activities it is somewhat very difficult to discuss certain matters by using "formal", "cold" and "general" terms and definitions. Matters start looking up and they become more interesting and lively when some "simple" examples are brought into discussion as well.

What is a cooperative society? can be explained by citing several examples and definitions, but the idea and concept may not sink deep enough into the minds of the rural populace. Approaching the adults is a very difficult process. Approaching them and convincing them is still more difficult. Things become easier when some interesting examples and associations are cited at the same time.

So, what is a cooperative society, is a concept which could be quite similar to our own "human body" How does a cooperative society operate - and how does a human body operate?

Assumptions

We, as cooperative educational instructors or extension agents, are to explain to a group of Indonesian adults in a rural setting, how does a primary cooperative (KUD - Koperasi Unit Desa - primary rural cooperative) operate? Who takes decisions? How do these decisions affect the working of a cooperative society and its business? Who is more important in a KUD - the Chairman or the Board of Directors or the Manager? What happens if

This is the revised version of the original paper written by the author when he was working with the ILO-UNDP Cooperative Training Project in Indonesia (1981-83). The material was extensively used in carrying out cooperative member education activities even during the ILO/Swiss Cooperative Project in Indonesia during 1985-88.

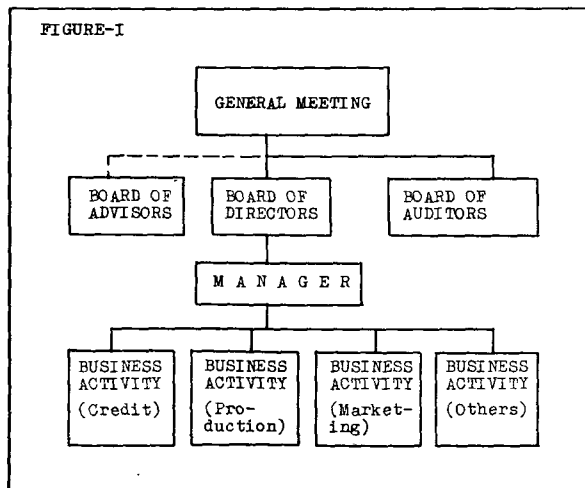
the General Meeting takes wrong decisions? Who is to execute these decisions? and how these decisions influence the members of the General Meeting in turn? and so on are several important questions.

The Extension Officer is trying to explain to the members that they should actively participate in the general meetings, they should try to obtain more and more services from the cooperative, they should strive to transact more and more business with their cooperatives and they should offer their suggestions to the management for the improvement of services of the cooperative, and they should have clean and healthy business relations with the Manager and other Assistant Managers etc. etc.

In fact the Extension Officer is trying to heap all the blame of non-participation on the members. This, in fact, is not at all true. Why to blame the members for non-participation? What is it that attracts the members to participate in the activities of his cooperative. There is politics, too much presence of government in the cooperative, discordant relationship between the manager and the Board, low business operations, lack of initiative in forward planning, too much of talk on ethics, principles and philosophy and what not! These are not the points which interest a majority of members. People need action and suitable economic returns. So, the Extension Officer has no suitable reply - as to whom to blame and where lies the real problem. O.K. Let us talk about our "human " cooperatives!

Cooperative Organisational Structure

According to the regulations, the organisational structure of a KUD is as follows (Figure-I) :

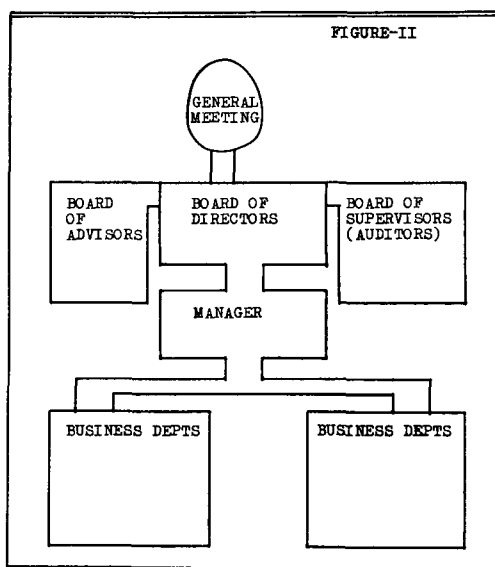


This chart can be enlarged and drawn on a big sheet of paper or on a whiteboard or be used by making a flannelgraph of it. As a teaching method - just consider - how difficult it would be to explain the organisation structure and the activities of various functionaries. It would be very formal, full and dry. A lot of talking will have to be done by the teacher.

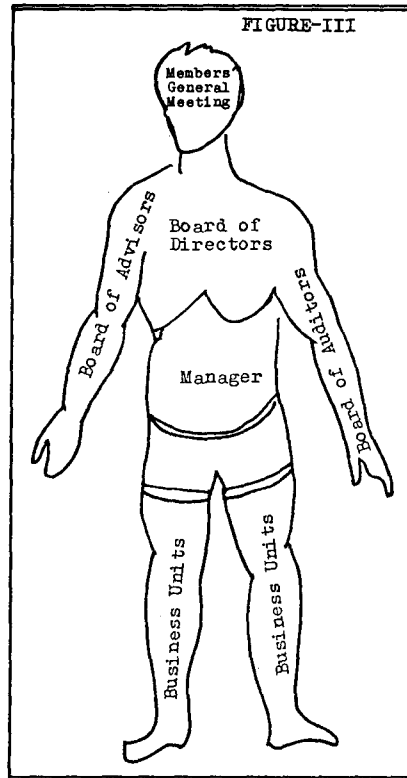
The extension officer will soon develop a feeling as if he is speaking before "unwilling listeners". It would be a hard thing for the extension officer to generate a two - way communication process. Try and see. Teaching adults is indeed painful. It is demanding because you are trying to drill a hole in seasoned (hardened) wood!! Try something new, man!

Making "Structures" Intercsting

We can achieve an altogether different feeling if some slight changes are made in the construction of the organisational structure. Instead of drawing simple and straight lines of control and lines of communication if we place the boxes differently, the explanation becomes somewhat easier. It becomes more interesting. (Please see Figure-II). Basic elements of the stricture and their association with each other remain the same, but the total figure has undergone a change, which is perhaps more acceptable. And change is indeed wanted. Now is the time for the Extension Officer to see things differently and make, the audience also see the drawing differently.



Now look at Figure-III. It is quite different now. The basic elements are the same, but the structure has been converted into the shape of a human body. What... a man is like a cooperative society or a cooperative society is like the human body. The explanation now becomes very easy. a lot of



discussion now can be generated. The entire discussion can be based on simple questions. The relief now comes to the Extension Worker. Ideas now start criss-crossing. The usually asked questions!! These questions can be something like this . . .

- What are the functions of the General Meeting?

(Members are supposed to think, see, listen, speak and suggest and so on.) So the general meeting of a cooperative society is like the head of the body. The head has the brain (or a cocount)! ideas, eyes can look and distinguish, ears can hear - good or bad, nose can smell (foul or pleasant), mouth has taste, tongue and so on. What about the yellow glasses? People start seeing yellow if they use yellow glasses! What about the chairman or the manager or the members.

- What are the functions of the Board of Directors?

(Board members are to carry out the policies and wishes of the members. Board members are to provide information to the members for future and information on the past activities). The heart and the lungs do the same work. They pump clean blood to the brain so that the brain gets good ideas, good thoughts etc. What about the blue blood?

- What are the functions of the Auditors?

(Auditors are to check the financial matters, stocks, cash in hand and prepare reports.) In these functions the auditors make use of their hands and fingers (to tick mark or to count money).

- What are the functions of the Manager?

(The Manager is a person who is supposed to manage the society - its business, its employees, member - society relationship, report to the Board, suggest new schemes, help in the organisation of meetings, conducting member relations etc. etc.) The manager is like the stomach, spleen, kidneys etc. which processes everything that is passed on from the top and apply the results for the wellbeing of the society (body). Includes also the supervision of other subordinate managers.

- What are the functions of Business Managers or Assistant Managers?

(These branch or assistant managers are supposed to support the Manager and help develop the actual business, which is so very basic to the total health of the society itself.) Better business means more money to the society. More money means better services to the members. Better business also reflects the better work of the Manager. If the business is down then the body will fall, and similarly the society will collapse. That means to do a better business we must have a good manager, that means a better selection of a manager, and in this case the Board of Directors have to be objective rather than being subjective. Then, selection from where! criteria for selection!

Teaching Methods and Teaching Material

A simple material used in conjunction with simple method can produce better results. You can have good discussions, you can establish a better rapport and the end-results could as well be happy and lasting.

Let us look at the picture once again - starting from the feet. Business sections are credit, marketing, production, consumers and others. These sections must keep on working since these are the foundations and on which the entire body rests. If these sections become weak or ineffective, the entire body will become shaky, and there will not be any movement in the business

and performance of the society. There will be stagnation. The manager will become ineffective, his communication with the business sections will break and once that happens he loses the confidence of his Board. The Board may have to remove him and once that happens the cycle and vicious circle of "no-confidence" sets itself into motion. The Board gets ineffective and unpopular and it will not be able to execute the policies and programmes of the members (general meeting). Members will become disinterested. Dirty blood begins to flow to the brain, dirty ideas begin to grow, dirty intentions take root and dirty things begin to happen. Should you blame the members for non-participation! And honestly who would participate in such a situation!

When there is a break-down between the heart and the brain, the hands which used to inspect, guide and help, begin to do dirty jobs - corruption sets in, self-interests begin to operate and the entire body becomes sick - ineffective, full of disease and move towards a slow death i.e., the dormant position of an ineffective cooperative society - the only solution left is to close down the cooperative business and say goodbye to every good thought which the healthy brain used to dream of some time ago.

The Extension officers or our Field workers need to be innovative, resourceful and highly communicative. Interpretation of ideas is the key. Talking heart-to-heart with the people softens many stiff ones. Human beings need a careful handling - a tender touch and the human approach. If any system of our body gets sick the whole body suffers. Similarly if any function in a cooperative goes out of alignment, the total structure of the Cooperative falls. The goodwill goes and with the goodwill gone, everything else goes!! Do you want that to happen. Of course, no!

Surely, a cooperative society operates like any human body.

Layout of Publications, Publicity Extension Material and the Techniques of Production for Consumer Education

Literature is needed for enhancing knowledge, adding to existing information, propagands, extension and to accelerate the process of development. Every minute there is addition to literature - books, pamphlets, handbooks, manuals, guides, notes, posters, charts, advertisements, printed, handwritten, stencilling, photographed etc. It is a process of creation. It is the transmission of ideas and results of experiments for others. Small pamphlets and brochures are being distributed in millions throughout the world. These are priced or are handed out on complimentary basis. Newspapers, journals and other channels of communication are full with "messages" and "slogans".

Highly technical materials are being reproduced for the use of developing world. Original textbooks are being massproduced and sold at reduced prices. Extension material is being produced and distributed widely all over. For extension material use of illustrations and simple figures is being encouraged. Artists and visualisers are busy all the time. Script-writers are busy. Printing presses are busy. Distribution channels are busy. There has been an immense growth in the print media. Books for children are a case in point.

Presentation

An excellent extension material is likely to be ignored or overlooked if it is not presented in an attractive style. Organisations make very heavy payments to artists and visualisers and designers in order to present their materials/publications in an attractive fashion. Several precious hours and days are employed in achieving a purposeful “layout” or a design. Illustrations and designs are subjected to various tests and evaluations before putting them out for distribution for public use.

Visualisation of text and ideas is extremely important and necessary. Lengthy discussions take place between the authors and the artists and several tests and materials are produced before working on the final product. Methodology of reproduction are discussed with professionals.

From the above discussion, we can come to certain obvious conclusions that in the presentation and production of literature we rely on the following factors:

- Visualisation
- Illustrations and photographs
- Artists and visualisers
- Professionals e.g., photographers
- Reprographics methods and equipments
- Dialogues between the authors and professionals
- Evaluation and field testing methods and techniques
- Channels of marketing and distribution

The material is produced in the following shapes and forms:

- Printed by letter press
- Printed by offset process
- Printed by using stencils and mimeographing
- Handwritten materials
- Photographs and printed through photography process

- Photocopying
- Transfer lettering
- Painting
- Screen printing
- Textbooks with normal 10pt letters
- Textbooks for children using 12pt letters
- Materials for visually handicapped
- Publicity materials e.g., handbills
- Wall newspapers
- Hordings, signboards, posters
- Manuals, handbooks, training packs
- Magazines
- Notices, road signs etc. etc.

A variety of material is being produced for semi-literates under the “functional literacy” programmes so that the farmer could keep his accounts. Material for the adult education activities, bank passbooks for farmers, and labels of all descriptions e.g., information printed on medicine packings, consumer goods etc.

Designing and Layout

In the case of publications e.g., textbooks etc., the designing patterns have to be uniform and in a sequence in order to maintain uniformity and standards. The material is generally divided in chapters. The sequence could be: title page, inner title page, information on or about the publisher, time of publication, price, time of production, number of copies printed, and other copyright information and the catalogue number etc., followed by a Foreword, Introduction, Contents Page, Chapters, Bibliography, and Index Page. Generally on the back of the book is given some information about the author and of the organisation etc.

In the case of manuals and handbooks including training packages etc. additional chapters are added e.g., about the manual, instruction for the users, and other instructions about the material and supporting material:

In the case of other material, a free designing or layout is adopted. The presentation can be achieved according to the tastes and requirements of the authors or organisations producing such materials.

Whatever be the material, the following factors are taken into consideration:

- Formal or Informal designing
- Selection of the size of the paper
- Thickness and colour of the paper
- Colours to be used in printing
- Selection of typeset
- Designing of the cover
- Use of photographs and illustrations
- Illustrations: comics, cartoons or others
- Graphs and charts and tables
- Printing process: letterpress, offset or other
- Binding
- Number of copies to be printed, and
- The language.

Layout and designing can also be:

- Straight artwork
- Montage or collage
- Superimposition of letters on photographs
- Reversals - photographs or artwork
- Etching of photographs or engraving

Cover designing can be: straight printing on the cover, window covers, transparent covers, strip-tease or overlays, multicolour or otherwise.

Materials for Adults

This has to be simple, bold, illustrated, functional and direct. This material should be useful to the adult. It should contain a message - one message in each module or presentation. Too many ideas and messages confuse people. People have no time to read the material in detail - they look for the main message - precise, simple and bold. Long paragraphs printed in small letters are rejected. Adults are not serious about the contents and their background or long introductions. They do not have to sit in examinations - they need information and that information should be supplied in precise terms. Children can afford to study the material because for them the material is necessary and useful for their examinations.

Some of the most relevant materials for the adults can be:

- Folders
- Illustrated brochures

- Simple handbooks
- Wall newspapers
- Flip charts
- Flannelgraphs
- Cartoon strips
- Vocational magazines
- Instructional materials e.g., on application of fertilisers, soil testing, water testing, post-harvesting techniques, animal husbandry, pest control, family welfare and child care and balanced food etc.

Agencies producing such material should ensure a standard of production (size, colours, lettering etc.) Should number the extension material in a serial order to facilitate its collection and storage. The serial numbers should be printed in a large size and in different colours. Ideal size for a folder for extension material could be: 8" x 4", with two, three or four folds, not more than four folds, anyway. Unnecessary ornamentation should be avoided. One or two colours are enough. Bold letters should be used, and a combination of photographs or illustrations should be achieved. Special attention should be paid to the use of language - difficult terms and words should be avoided. Fewer words should be used. Small paragraphs would be most effective.

Techniques of Production

Several techniques are employed. Stages of production of material include:

- *Manuscript stage* : In this case the author writes the material, gets it typed, and makes the manuscript final for production. He prepares the material on the basis of his experience, observations, by holding discussions and interviews, by undertaking a research which involves the use of library and other resources.

- *Editing Stage* : In this case the manuscript is processed by the professionals e.g., editors, or reviewers. They suggest additions, deletions or rearrangements.

- *Author's revision stage* : The material is reviewed by the author and he makes the material final. It is typed finally.

- *Production stage* : This stage involves the following steps:

- Selection of letters
- Selection of layout and designing
- Consultation with artists and visualisers

- Matching the visuals with the text
- Selection of relevant photographs
- Ordering blocks for photo printing
- Production schedule and cost estimating
- Composing or typing for printing
- Galley proofs or page proofs

This stage involves making of photo blocks, going through the proofs of the text and then of pages (page proofs), and placing a final print order.

- Production

This stage involves printing, binding and distribution.

In case the material is not being printed through letter press the material could be printed by using offset process/silk screen printing. In these cases the material has to be properly typed on a good clear typewriter with good faces and layout. The material is then transferred, page by page, through a plate-maker on the offset printing plates. Several types of typewriters are available these days e.g., multi-faced, golf-ball typing elements (IBM or other) and a combination of transfer letters or the title makers on or even drawing some figures or writing some material by hand. Several colour combinations can be achieved through offset printing process. Small size office offset printing machines are now available and are in use.

Printing of material can be achieved by using Amonia Printers, or even multi-drum stencilling duplicators (In this case drums have to be replaced to print various colours e.g., Nig Banda Printers/Duplicators). Images on stencils can be transferred also by using scanning machines, or thermo copiers. Artwork can be done straight on the stencils by using various kinds of styli. A variety of styli is available - wheels, broad, thin, etc. (Gestetner supplies such tools).

Conclusion

Extension workers and extension agencies keep on producing various kinds of extension materials for their target groups. This target group is not a scholastic group - they need the information which "helps" them and that information they need in precise terms and in simple words. The material for them has to be simple, direct, bold and illustrated. Several methods and techniques are used in the production of material for them. A great care is to be taken with regard to the selection of colours, words and language.

Extension workers and Field educators need to be trained in the preparation and production of effective extension materials.

Strength of a Cooperative Institution

Daman Prakash

In a self-help group like a cooperative institution which factors determine its strength. What factors make a cooperative institution strong and self-supporting? These are very interesting questions. Members, of course. Well-informed members, who are aware of their rights and responsibilities and who participate in the business and structural operations of their cooperative. Awareness among the members about the objectives and activities of their cooperatives is one significant aspect which generates loyalty among the members about their cooperative. Members get service from their cooperative to satisfy some of their daily needs and personal feeling or aspirations. Services are provided by the cooperatives to their members according to the needs and requirements of members. These services are not imposed on the members and then the members are asked to pay for these services. This is not the purpose of a cooperative institution. The services provided by the cooperatives should be the ones which are most relevant to the needs of the members.

Another aspect is: who decides on the types of services to be provided? Of course, the members. Members make suggestions to the management through various channels e.g., general meetings, making oral suggestions, writing letters, discussions with the members and other employees and, of course, through the elected representatives of the cooperative. To enable the cooperative to provide services to the members, there is a pre-condition: members must participate in the business and democratic structure of *their* cooperative. They must attend general meetings, they must conduct their business dealings through their own cooperative, and they must understand the objectives of their own cooperative. Members' performance is continuously to be enhanced through various means - members' education, employees' training, communication channels e.g., newsletters, personal contacts etc.

The cooperative institution, on the other hand, should also enhance its own performance - the business performance. Better management of money, of accounts, personnel, liabilities and assets and other services. In this case the 'management' is the key. The Board of Directors should be able to take proper and accurate decisions based on the 'information' provided to it by the management employees e.g., the managers.

In the above discussion, we have laid stress on the following: *members; participation by members; services; decision-making; management; and education and training*. A balanced mix of all these elements contribute to the 'strength' of a cooperative institution. Another aspects which could be discussed are: role of the State in cooperative development; adherence to the Principles of Cooperation; values and ethics of a cooperative philosophy.

In several of the developing cooperative movements in this part of the world we notice that the State promotes, develops, regulates and controls the cooperative movement. We also have examples where the State only promotes and then 'helps' the movement to develop further on its own. Several arguments have been cited to justify 'State Control' - investment by the State in cooperative business, or the existence of Cooperatives Laws, rules and regulations, and then also an addition of State Politics because the cooperative movement covers a large number of people, and so on. A cooperative institution is essentially a people's institution and the role of the State is to promote self-help groups so that people are able to identify their own needs and find their own solutions on a collective basis in a cooperative spirit.

Maintaining our stance in favour of cooperative institutions, we feel that members should be the ones who decide on their own business. The cooperative institution should continue to ask some of the key questions from time to time in order to get closer to the members. Some of the key questions could be: how much has the cooperative contributed to the income of its members; how much income-generating capabilities have been established by the cooperative; how many additional services have been added for the members; what social facilities e.g., drinking water supply, drainage, irrigation, schools, libraries, health programmes, etc., have been established by the cooperative for the community; what has the cooperative done for the social and economic upliftment of its members; etc. etc.

Participation of members in the economic and democratic structural operations of a cooperative is another aspect which concerns the 'strength' of a cooperative. Why should the members participate in the business operations of a cooperative - if they do not receive satisfactory services from their own cooperative: If a cooperative, from its profits, does not return a fair share to its constituents, and invests it in building huge and beautiful offices, how could it sustain the loyalty of its members: Investment in buildings and assets is quite alright, but at the same time the members - the ordinary people - also expect something in return - good services, better returns. After all, a cooperative institution is an economic business also, and not a social club. Everything is linked up with business. If the business is business-like and done in a professional manner, the credibility of a cooperative institution

goes up and it can compete with confidence in the market and bring credit to its owners - the members. The investment in training and education should not be regarded as a wasteful expenditure - it is an investment in the creation of a professional and well-informed employees and members.

Some of the cooperative institutions in this part of the world have involved themselves in service-oriented areas based on values and ethics. These areas are: social forestry; protection of environment; provision of technical education to the children of members by creating schools and colleges; supply of drinking water; family welfare clinics and hospitals; rural roads; etc. These are the investments in the future. Investment is not possible without having a proper planning and developing future projections. Adhocism kills a cooperative. Poor management skill destroys the institution.

The strength of a cooperative institution, therefore, in the light of the discussion above, lies in the following factors; members' development; employees' professional training; creation of additional income-generating capabilities and opportunities; developing programmes of 'social good'; getting rid of the State control over the cooperative system; enhancing ethics and moral values in cooperative operations; promotion of the fellow-feeling; and adopting a process of continuous self-appraising and self-evaluation.

The Concept of Management Extension in Cooperatives

Daman Prakash

An institution is a combination of two organizational entities, business enterprise on the one hand and a social institution or association of persons who unite to use the services provided by the business enterprise on the other. Cooperative institutions deal with people at social and economic level. The end objective is to provide confidence of life to the people who have agreed to come together to solve some of their problems. Cooperative institutions are supposed to be independent and be capable of taking their own decisions in accordance with their own bye-laws and the wishes of their members. Strong cooperatives not only create higher surplus but also provide greater and better services to the members. The strength and success of a cooperative lies in the realistic and needed services it can provide to its members at reasonable prices.

Management in Cooperatives

In general terms, management can be defined as the art and science of organizing and directing the resources of an enterprise towards the achievement of its objectives. While this definition is valid for both cooperative and non-cooperative enterprises, it is the responsibility of cooperative management to aim at success in both aspects i.e. for the cooperative as a business enterprise and as an association servicing its members. The management functions of planning, organizing, directing and control have to be performed in such a way that a fair balance between these two, under certain conditions, competing objectives is achieved. In contrast to private enterprises in which the management functions are usually entrusted to a team of top executives who are responsible to the owners or shareholders of the undertaking, the specific nature and the democratic structure of cooperatives require a different set-up of which employed executives constitute only a part. In a cooperative the management structure, as a whole, consists of the following components:

- * the general membership;
- * the elected boards or committees; and
- * the (usually employed) managers.

The fact that a cooperative is controlled by the general meeting of

members who are all entitled to attend and each of whom holds one vote regardless of his share capital constitutes a safeguard to the service orientation of the cooperative, which is based on the principle that the cooperative business enterprise renders services to all members under their control and with their active participation. Failure to observe this principle - be it through limiting control and active involvement of members, through rendering services to a limited number of members only, through placing the commercial interests of the cooperative business above or even against the interests of the members - can be considered as a failure of the social institution. Since it is very difficult for the general assembly of members to be involved in the actual management of their society nearly all cooperative laws and/or rules entrust a special board or committee composed of elected members with the management of the affairs of the society. To a varying degree these boards delegate certain of their powers to individual members or employed personnel such as managers, secretaries, accountants, etc., who remain, however, under the policy guidance of the elected board. The extent of this delegation of power depends in practice very much on the nature of the cooperative enterprise and the personalities involved. A competent manager who enjoys the full confidence of the board will naturally assume more freedom of action than a secretary who is used only to act on precise instructions of his board.

Functional Areas of Management

The performance of a cooperative in the functional areas of management, finance, marketing and accounting may be generally construed as management criteria in measuring efficiency. The areas of Management includes Planning - management should be able to evaluate cooperative objectives by taking into consideration the needs of the members, the resources in the community that could be mobilized, the existing socio-political and economic conditions in the locality in order to set more realistic goals; Staffing - aside from planning, management must be responsible for recruitment, training and development of staff; Internal Control - to exercise control over internal resources of the cooperative. Measure of efficiency will be highly dependent on the ability of management and staff to maintain proper controls over all aspects of administration and management. The area of Finance is the lifeblood of the cooperative. Without financing the cooperative will be unable to achieve the goals for which it was established. The area of marketing includes estimation and programming, collective purchasing, elimination of middlemen in the process of marketing to ensure better returns to the producer-members, obtaining better and accurate marketing information, making prompt payments, and maximizing sales and procurement operations. The area of Accounting includes, better

maintenance of books of accounts, reconciliation of accounts with the bank, production and adherence to repayment schedules, preparation of accounts in time and keeping the adult reports available for inspection and discussion, etc.

Typical Management Problems in Cooperatives

Some of the main problems relating to the management of cooperatives can be summarized as under :

- * Profit-orientation rather than increasing the income of members.
- * Inadequate or inefficient loans, grants and repayment procedures.
- * Lack of awareness about maintaining accounts - mixing up society accounts with personal accounts.
- * Improper maintenance of books of accounts and other books, such as minutes, members' registers, members' passbooks, etc.
- * Absence of job descriptions, and the practice of double-functions.
- * Lack of awareness about the bye-laws, objectives, ignorance of balance sheet, and lack of education and training, generally among members and employees.

People in Management

Management is defined as planning, organizing, directing and controlling resources in business. Personnel function is management of human resources and thus it is connected with planning, organizing, directing and controlling of human resources in business, be it cooperative or private.

Personnel management in operation consists of procurement, development, compensation, integration and maintenance of human resources in the business organisation.

The personnel manager has to advise, assist and control management at all levels within the organisation to manage these important resources. Modern business philosophy has recognized the importance of social obligations of business and also of human values and together with higher expectations of employees in the context of present social, economic and political conditions have contributed to the importance and growth of the personnel function in modern business enterprise.

The primary responsibility of the personnel manager in the business is to create and build an environment where the organisation can (a) secure and maintain right quality of employees, (b) recognize both organizational and human needs, and meet them, and (c) fulfil the obligations imposed by the society, consumers, shareholders and employees.

of human beings and it must provide self-fulfilment and job satisfaction so as to utilize fully human skills and potential, thereby helping the 'man' and the 'organization'.

This is achieved by the mechanism of personnel men advising people who are responsible for management of business to develop a right personnel policy. It must develop a system of controls to ensure that the policy is effective and if not, to review and revise the policy from time to time. The personnel men therefore have to be closely associated with the management of business at all levels and must find the right place and support from the top management to achieve the desired results.

Basic Features of a Cooperative Business Undertaking

The points made above have to be considered in the light of the basic features of a cooperative business undertaking which are, as follows :

- * Cooperative business is basically a commercial activity.
- * Cooperative business enterprise is a non-profit enterprise.
- * Cooperative enterprises are owned by members who are the users.
- * Cooperatives are organized in response to mutual interest and economic needs.
- * Cooperatives emphasize members' control.
- * Cooperative business enterprise is voluntary.
- * Cooperatives recognize the principle of proportionality.

The Indian Cooperative Scene

In some of the recent discussions it has been brought out rather clearly that the Indian Cooperative Movement is now poised for a big leap although apprehending that the member - a focal point - would continue to remain blurred. The business would grow very complex, the management would get more professional and highly technical but the inflow of funds and business from the members would shrink considerably because of their inability to contribute adequate funds to operate large cooperative business organisations. It is obvious that cooperative business of the future would not only grow to become complex but would also demand huge sums of money to keep it going, it is now realized that members of cooperative organisations come largely from the working class, where capacity to raise capital is very limited. This compels the cooperative to confine its activity to the fields of distribution, credit, housing, insurance, etc. Because of the limited financial

capacity of members, it is impossible for a cooperative society to secure the services of highly qualified technicians, managers and other experts, without whose assistance a modern large-scale industry cannot be run smoothly, successfully and efficiently.

For a situation as it operates in India Cooperation has a real and inherent limitation to become a successful and an efficient instrument for achieving a full-scale social and economic development.

In view of the limited capacity of the individual members to contribute enough resources financial and technical personnel - to the proper development of a cooperative business it is logical that the assistance or participation of the State is inevitable. In times to come it seems to be a reality that State partnership and thereby State control would continue to dominate the Indian cooperative scene. However, this participation should be a positive one. "In some countries where the government wishes to assist, it also wants to control; or it may be so anxious to promote cooperatives, it smothers them with so much help that they never develop self-reliance". The State should endeavour by all possible means to make Cooperation based on an effort which must be integrated, coordinated and organic; and State assistance, participation and partnership must be so adjusted as to retain the essential character of the Cooperative Movement as the people's movement making the movement sound, strong and effective, in its action and results. The Movement during the 21st century should aim at the following core elements:

- * Strengthen the primaries as a pre-condition to restructure and reconstruct the Cooperative Movement.
- * Revitalize the dormant cooperatives by going deeply in the causes of their failure and dormancy, and trying to correct those faults so that they do not get repeated in future.
- * Realistic plans, programmes and facilities be created to develop and expand cooperative education and training facilities in the country so that more and more people get exposed to education and training in the shortest possible time.
- * Strengthen communication infrastructure between the members and their cooperatives, and among the cooperatives themselves by devising ways and means which lead to the availability of better information on business matters to each other.
- * Inculcating among the cooperatives the spirit of sharing information between them and their members.

- * Creating infrastructure for the primary cooperatives, largely at the initiative of cooperative business federations providing them with business and management consultancy and advisory services, so that the business operations are sound and logical.
- * Creating awareness among the general masses about the utility and advantages of cooperative business so that more people get into the fold of cooperative membership.
- * Developing programmes at the primary level so that more women, youth and less advantaged groups take advantage of the services of these cooperatives.

Some of the major problems faced by the Cooperative Movement have also been: i) the very high overdues, ii) inability of peasants to pay back their loans because their incomes were too small and dependent on the monsoons; iii) continuing presence and influence of middlemen and money-lenders because old debts had to be repaid, and the farmer-members could not find any other alternative; iv) cooperatives have been unable to respond to and satisfy the needs of their members because of the small size of these cooperatives and their ultimate dependency on a variety of lending institutions; v) low level of management by cooperatives; vi) low level of training in management techniques to the members of managing committees leading to an inadequacy of control on managers and other business units; and vii) absence of job descriptions for various functionaries of cooperatives.

Taking stock of the achievement of the Indian Cooperative Movement during the seven five year plans, the following factors are significant.

The Indian Cooperative Movement has developed into a giant Movement. In 1906, the number of cooperatives was 843, which increased to 172,000 in 1947, and it now stands at 315,000 cooperatives (1990). During 1907 the total membership was just 90,840 which rose to 9.2 million in 1947, and now stands at 145 million individual cooperative members. There are now 21 national level sectoral cooperative federations. There is a full-fledged cooperative training arrangement operated by the Movement itself. The state cooperative unions (31) are operating their own member education programmes.

Government has relegated priority to the Cooperative Movement.

The Cooperative Movement has been able to provide, in some measure, relief to the rural poor in various sectors, such as agricultural credit, processing, warehousing, seeds, fertilizers, land development, irrigation, housing, rural infrastructure building, education and training, etc.

The Cooperatives have been able to provide to the urban populace and wage-earners services in the field of thrift and credit, insurance, housing, transport, consumer goods, consumer protection, and other general services.

The Cooperative Movement has been able to train people (rural and urban) in the methods and techniques of operating democratic institutions to whatever extent it was possible.

The Movement has been able to respond to the demands of advanced technological advancement in the field of management, production, distribution and information.

Cooperatives have also been able to provide some support to the weaker sections of the support to the weaker sections of the society in generating additional income, family welfare programmes, improving personal environments, etc.

Impact of Technological Developments

During the past few years we have seen in India tremendous changes taking place in medium and large-sized cooperative organisations. Their managing committee meetings are becoming more professional, newer methods are being employed in maintaining the accounts and other records of their business operations, new methods are being employed in handling commodities, improved working conditions are being used in handling personnel and members of cooperative institutions, stronger and more frequent demands are being made on the training, and demand for training and educational materials is increasing. It has also been noticed that leaders and planners are now talking about the future and taking note of the past experiences.

Adverse climatic conditions, high cost of production of farm inputs, lethargic conditions in the infrastructure, and the low participations of members in the cooperative structure, perhaps make it extremely prohibitive to the overall growth rate to go up significantly. Increase in population, high non-plan expenses and other politically influenced factors might also contribute to this high cost economy. Another factor could be the highly protective atmosphere to the Indian industry.

Another important aspect which perhaps slows the progress of the Indian Cooperative Movement is the extremely high ratio of overdues. The inability of lending institutions and cooperatives to recover the long and huge overdues adds to the prevailing confusion. This is one aspect which is killing the Movement in spite of the heavy financial contributions made by the government.

Management of cooperatives should be trained in such a way that they are able to communicate effectively with the members. The most successful managers are those who are able to communicate effectively with the members as well as with the cooperative leaders. Management should not be influenced by other and external factors e.g. the government or the lending institutions.

Some of the causes of government involvement in Movement in developing countries can be: i) lack of Movement's financial and training resources; ii) recognition by the government that the Cooperative Movement is a grassroots movement and thus be helpful in the implementation of national economic development plans; and iii) political parties' perception of the Cooperative Movement as an institution which can enhance their own political position and image if the movements can be manipulated to their own party gains (loans to farmers, creation of processing facilities in constituencies). It is an irony of fate that the above mentioned factors also apply to several segments of the Indian Cooperative Movement. If the members of cooperative institutions continue to remain out of the influence of their own cooperatives, then anyone could control and rule such cooperatives. Whatever technological innovations we may make in improving and enhancing the business of cooperatives, it would be illogical if the members are not allowed to influence the policies and management decisions of their own cooperatives.

Means of Communication

A cooperative organisation should have its own channels of communication with its members. General body meeting is an ideal forum through which a lot of useful and meaningful information could be given to the members. At the general body meeting, if properly conducted, the members could be informed, step-by-step about the various points made in the audit report, Chairman's or Secretary's report, balance sheet, programmes and activities. Members' views could be solicited by the leaders on the future programmes and activities of the cooperative, and new leaders could be picked up from among them to run the business of the cooperative in a proper and democratic manner. It should be a frank and open forum for all the cooperative management functionaries and the members.

Another important means of communications is the educational and training structure of the Movement. Cooperative training centres/colleges are the excellent centre-points through which communication between the government and the movement could take place more easily and effectively. However, in this context, the character of cooperative training institutions has to undergo a drastic change - from mere education centres to full-scale management professional institutions of distinction.

The Idea of Management Extension

In order to bring the awareness and techniques of management a little closer to the general rank and file of Cooperators, it is essential that certain modifications are made. Instead of pure ideological and philosophical inputs made at members' education courses, it is now important that some basic elements of management are given so that an average member begins to understand his economic involvement in the operations of a cooperative which he is supposed to own, control and operate. Therefore, the member education programme as such, in the *first* instance, should be called Management Extension. *Secondly*, it should be primary level based. *Thirdly*, it should be organized on a 'self-help' and 'self-financed' basis. *Fourthly*, the state and national level cooperative business federations should come forward to contribute to member education/management extension programmes since they transact business with their members and these members have the right to receive some developmental inputs from the profits earned by these federations. *Fifthly*, cooperative unions should develop and make available a variety of proto-type educational material.

Adult education is the obligation of the government, and cooperative member education is a part of this exercise. Cooperative institutions should take upon themselves the task of educating and training their members and employees. All member education programmes should be the responsibility of the cooperative itself to educate its members and to communicate with them. They should be able to set up their own education units with their own funds and resources. The role of the National Cooperative Union of India (NCUI), state and district unions would be mainly advisory and supportive. They would help develop central advisory services, plans and materials for the primaries. They would develop strong and broadbased trainers' training centres where training in Management Extension would be provided. It should not be a pure cooperative member education but it should be management-oriented member education. Members do not need philosophical inputs today; they need professional and management information so that they are able to understand the working of the cooperative business e.g. they are able to understand the balance sheet, they should be able to ask correct questions relating to the audit report, they should be able to understand the role of the manager vis-a-vis the managing committee and the members etc. Each primary cooperative society should be able to have at least one educational secretary who should have the logistic support from the cooperative e.g. educational budget, education programme and all the operational support.

Innovations are extremely urgent now than ever before. Cooperative institutions, particularly those providing financial inputs to cooperatives

must also provide *Management Consultancy Services* in a modest way in the beginning and, also at the same time, prepare their cooperative-clients to implement management consultancy at their own levels and with their own resources. The existing cooperative trainers, instructors and managers should be trained in the methods and techniques of offering management consultancy services. Over a period of time, after their training, they should work as full-fledged management consultants/management extension agents. The staff of primary cooperatives, particularly the managers, should be given an exposure on management requirements and methods. The supervisory staff and auditors should not devote their time on finding faults, rather should try to educate the various functionaries of cooperatives in maintaining properly books of accounts, inventory, assets and liabilities and other instruments of control.

Instead of the instructors running around in conducting member education courses for a large number of people and in a large area, it is profitable if they concentrate on a smaller number of members and a fewer number of cooperatives. This will improve the quality of performance of cooperatives and of the movement as a whole. The responsibility lies first with the business federations since they can absorb the related costs rather than the promotional unions which are always short of resources.

In quantitative terms we have every reason to be happy with the growth of the movement, while in terms of qualitative development much, however, remains to be accomplished. The 40 years of India's independence have only allowed the movement to gather the mass, but not the momentum. Some of the principal reasons have been: traditional aversion to new methods and techniques; traditional system of education and training; very little innovations in the means of communication; traditional delays in designing new systems and regulations to introduce modern methods of management and control; ad-hocism; a strong influence of bureaucracy on voluntary and independent movement; and so on and so forth. It has been hard to bring in change. We all know, any change is resisted and the resistance does not wear out unless there is a systematic effort to educate and train people and to streamline the systems to align with the proposed change. We have been trying to encourage the members to participate in their cooperatives by educating them, but it has not produced the desired results. The participation is still low in the organizational structure as well as in the business operations. Probably there was no balance between the needs of the members and the needs of the cooperative. Or, maybe, the economic expectations of members have not been realised adequately.

In the context of participation of members it becomes necessary that they begin to see the benefits that they can get from their cooperative rather

than knowing all the principles and philosophies of cooperation, which, in any case, does not add to their income. In the world of today everyone weighs the participation against the benefits, and unless the cooperatives do not present a picture of a sound business the members would not like to sink any more of their hard-earned money. If the cooperative is economically viable, members would get attracted to it on order to get more services, benefits for themselves and from their own cooperative.

In order to make the cooperative viable, it is necessary that the management is professionally competent; systems and methods of control in the cooperative are properly developed, introduced and managed; better communication between the management and the members is established and maintained; legal requirements of the cooperative vis-a-vis the auditors/government are properly met; proper responsibilities are assigned and assessed at regular intervals; systematic evaluation of business performance is conducted; and proper reports on performance are made available in time to the members and other constituents. These are some of the areas which need management attention.

The presently available field staff e.g. cooperative trainers, cooperative educational instructors, government inspectors and auditors therefore, need, to be recast in a different mould now so that they could provide management-related guidance and advice to their client-cooperatives, and serve, in a true sense, their friends and advisors, rather than imposing themselves on their clients as bosses or masters. The revised roles of the field staff would be those of management extension workers.

If the Cooperative leaders and policy makers could think in these terms, they would do a great service to the Indian Cooperative Movement.

Contributors

Mr Pradit Machima, ICA Regional Advisor (Consumer Cooperative Development). Formerly worked as UN/ILO Advisor on Cooperative Member Education in Indonesia and Zimbabwe. A former senior level cooperative official of the Ministry of Agriculture and Cooperatives, Thailand, Mr. Machima was also the Director of the Cooperative League of Thailand, a national apex of cooperative movement of Thailand.

Mr Daman Prakash, ICA Regional Advisor (Development Planning and Coordination). Formerly Chief Technical Advisor of the UN/ILO/Swiss Cooperative Management Project in Indonesia and Technical Advisor of the ICA/SCC Cooperative Teachers' Training Project in Sri Lanka. He was closely associated with the ICA/NCUI Cooperative Field Development Project in Indore (Madhya Pradesh) in India and, also for long time, Cooperative Education Officer and Publications Officer of the ICA Regional Office.

Mr W. U. Herath, ICA Regional Advisor (Human Resource Development). Formerly Principal of the National Cooperative School of Sri Lanka, and a senior level official of the Department of Cooperative Development of the Government of Sri Lanka. He was also the Director of the ICA/SCC Cooperative Teachers' Training Project in Sri Lanka.

Cooperative-Government Relationship Series....

01. The Role of Government in Promoting Cooperative Development in Asia - Documentation on the Regional Consultation held in Singapore, June, 1988. Paperback : Rs.400/US \$ 60; Hardbound: Rs.500/US\$ 75.
02. Cooperative Ministers" Conference, Sydney, Australia, February 1990: Cooperative-Government Collaborative Strategies during the '90s., Full Report Rs.400/US\$ 60.
03. Cooperative-Government Collaborative Strategies for the Development of Cooperatives - The Philippines. June, 1991, Rs.60/US\$ 10.
04. Cooperative-Government Collaborative Strategies for the Development of Cooperatives - The Republic of Fiji. July, 1991, Rs.60/US\$10.
05. Cooperative-Government Collaborative Strategies for the Development of Cooperatives - Indonesia. July, 1991. Rs.60/US\$ 10.
06. Cooperative-Government Collaborative Strategies for the Development of Cooperatives - Thailand. August, 1991. Rs.60/US\$ 10.
07. Cooperative-Government Collaborative Strategies for the Development of Cooperatives - India. September, 1991. Rs.60/US\$ 10.

The above most-recent and most topical publications are now available for distribution. For supplies and inquiries please contact:

**The Publications Section
ICA-DOMUS TRUST
43 Friends Colony (East), New Delhi 110 065, India.**

The International Cooperative Alliance is one of the oldest non- governmental international organisations. It is a worldwide confederation of cooperative organisations of all types. Founded in London on 18th August 1895, the ICA has affiliates in 77 countries with 195 national and ten international level cooperative organisations as members serving over 648 million individual members at the primary level. The ICA is the only international organisation entirely and exclusively dedicated to the promotion of Cooperation in all parts of the world. The ICA holds Consultative Status of Category-I in the United Nations Economic and Social Council (UN/ECOSOC).

Besides the head office in Geneva, Switzerland, there are four regional offices viz. the Regional Office for Asia and the Pacific in New Delhi, India (established in 1960); the Regional Office for East, Central and Southern Africa at Moshi, Tanzania (established in 1968); the Regional Office for West Africa at Abidjan, Ivory Coast (established in 1979) and the Regional Office for Central America and the Caribbeans at San Jose, Costa Rica (established in 1989).

The ICA Regional Office for Asia and the Pacific (ICA ROAP) serves 54 national level organisations from 19 countries, representing nearly 440 million individual cooperators. These countries are : Afghanistan, Australia, Bangladesh, China, Fiji, India, Indonesia, Iran, Japan, Democratic Republic of Korea, Republic of Korea, Malaysia, Pakistan, Philippines, Singapore, Sri Lanka, Thailand, USSR and Vietnam.

Main activities of the ROAP include coordination of cooperative development efforts within the region and promotion of exchanges and experiences; project identification, formulation and evaluation; promotion of establishment and development of national cooperative apex organisations; and organisation of seminars and conferences on specific subjects including support for programmes aiming at the involvement of women and youth in cooperative activities.

Finances are derived from member subscriptions, own funds and assistance from donors for various activities carried out by the ICA.

