

Co-operative Entrepreneurship

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For Carlo Borzaga: It has been an honour and pleasure to have worked with Carlo for many years on the board of EMES, the European research network on social enterprise, and on other related projects (mainly in Europe, but also in developed and transition countries). He contributed hugely to research on co-operatives in so many ways. In relation to the theme of entrepreneurship, his contribution was mainly at the macro-level, focusing on the dynamics underlying the emergence of social co-operatives, and more generally of social enterprise globally (e.g. Borzaga et al, 2015). But he also made important theoretical contributions to the theory of the firm, critiquing neo-classical models of profit maximisation; instead based on extensive empirical work, arguing that intrinsic and social preferences are also drivers of entrepreneurship with different organisational outcomes. This paper complements some of that work at the meso- and micro-levels.

Introduction

The paper draws on international experience where interesting models of entrepreneurship for establishing co-operatives have been developed. It begins by reviewing the literature about entrepreneurial activity to establish co-operatives, which also draws on the rapidly emerging field of social entrepreneurship. It then goes on to examine the major forms that it takes, developing a typology, and discussing a number of case studies to explore the processes of entrepreneurship and the issues that arise from this.

The growth in studies on entrepreneurship, has paralleled that of studies of small and medium enterprises (SMEs), since the 1980s. Until recently this has not been matched by the level of studies in social and public entrepreneurship, however this is beginning to change, particularly in the area of social entrepreneurship. Although it is recognised that there are strong similarities between the two fields (co-ops and SMEs), this paper is focused on institutional forms associated with the social economy: co-ops (with similar models for mutuals and not-for-profits). However it is important to recognise some similarities, and draw on the SME literature on entrepreneurship. The paper contributes to a greater understanding of the social economy (co-operatives, mutuals and voluntary organisations or non-profits), since these form a prominent part of developed economies (Ciriec, 2000). Indeed, co-operatives are also prominent in many less developed countries, with over 700m. co-operators worldwide; and yet very little research has been done on entrepreneurship in the sector. This study takes some small steps in redressing this situation, with the hope that it may also inform mainstream entrepreneurship research.

Initial thinking (based on anecdotal evidence and the literature) indicates that co-operative entrepreneurship may have several features that distinguish it from that in the commercial stock company sector. For example, Cecop¹ (1978) identified five different types of model

¹ European federation of worker and social co-ops

for the creation of a co-operative – including worker buyout, and spinoff. Institutions have also played central roles in the entrepreneurial process of co-ops (Cornforth et al, 1988) – this may be seen in possibly the most economically successful worker co-ops currently - the Mondragon co-operatives of Northern Spain, where the co-operative bank (Caja Laboral Popular) had an enterprise division which nurtured and supported the development of new co-operatives for many years. Similarly, in Italy the growth of social co-operatives during the last decades would not have been possible without the consorzi or consortium of local co-operatives that provides management services and supports the growth of new social co-operatives (see Spear, Leonetti & Thomas, 1994 for an early analysis of the UK potential of social co-operatives). There are also particularly interesting examples of institutional roles in entrepreneurship in the UK, and Sweden, where co-operative development agencies have been central to the creation of large numbers of worker co-operatives. Thus institutional support is quite prominent in co-operative entrepreneurship.

But at the same time as these successful examples have gained increased visibility, there is a widespread feeling that cooperatives are not being formed at a similar rate to comparable SMEs. There is a theoretical argument for this institutional form of support for co-operative entrepreneurship as a way of compensating for deficiencies identified by Abell (1983), Fanning, C. and McCarthy, T. (1983), and (Ben Ner, 1988), who argue that co-operatives suffer an entrepreneurial problem since greater returns would accrue to an entrepreneur if he/she formed an organisation which they owned exclusively rather than one shared with others. This theoretical analysis begs a number of questions about the adequacy of individualistic economic theory when examining social or collective activity.

Both the individualistic and the collective models of social entrepreneurship obscure the fact that entrepreneurship and social entrepreneurship may be distributed amongst a number of actors sharing entrepreneurial roles; and to a certain extent it may also be *sponsored* or *supported* in the sense that key figures in the entrepreneurial process may be doing it on behalf of individuals and groups of citizens, with the intention of passing on the management and governance of the new social enterprise to its owners/members. Research on entrepreneurship has involved the recognition of such sponsored/supported models, for example in the well-established Global Entrepreneurship Monitor (GEM) studies. And this approach has also been applied to social entrepreneurship, see for example: Schøtt et al (2009) where the household survey on social entrepreneurship included a question on this sponsored/supported model.

Similarly support for entrepreneurship by co-operatives is quite well developed, such as: entrepreneurial support from banks (Mondragon), from development agencies (LKO in Sweden, CDAs in UK), and from co-operatives consorzi/groups and federations, as well as more recent innovations in learning/educational models of social entrepreneurship (Saiolan, Mondragon, and Tampere Universities). In addition there are two under-researched themes in the study of co-operative entrepreneurship: social movements linkages to social entrepreneurship (e.g. Smith et al. (2014); Akemu et al. (2016)), and the role of religion and religious leaders in social entrepreneurship (Spear, 2010).

In the third sector, there may be two broad forms of sponsored/supported social entrepreneurship - a “top down” approach to social entrepreneurship – which could be termed social corporate venturing, as opposed to the “bottom up” approach of social intrapreneurship which may either be individualistic or collectivist, where “insiders” have the knowledge and know-how to facilitate entrepreneurship. However there has been some issues with bottom up approaches failing to overcome the challenges of supporting entrepreneurs in disadvantaged communities who may be considered “necessity-driven entrepreneurs— people starting

businesses because they felt they had no other choice”; the issue being developing skills and products/services with good prospects; this is contrasted with opportunity driven entrepreneurial activity, where entrepreneurship is based on a good opportunity being perceived (GEM, 2009). To address this, in practice there may be elements of both top-down and bottom up processes at play in a “negotiated” approach.

The paper aims to build a picture of how co-operatives engage in entrepreneurship; it also draws on conventional entrepreneurship literature, to provide a broad conceptual framework of entrepreneurship within the co-operatives field, revealing direct processes of organised support/sponsorship in a number of cases. In the process, the paper seeks to counter the prominence of individualistic models; and elaborate more collective forms through a typology which encompasses sponsorship, and other forms of external support for co-operative entrepreneurship; in this way it intends to inform policy.

A broad framework for studying the development of a population of organisations (such as a co-operative or NfP sector), is that noted by Badelt (1997), based on an examination of supply-side, demand-side and institutional factors influencing the development of new co-operatives. And this leads to a focus on demand (by consumers and others, perhaps for reasons of value-based choice) for co-operative enterprises, the supply of cooperative entrepreneurs, and the extent which institutional factors (legislation, fiscal factors, visibility and legitimacy of the particular institutional form, and the role of agents that mediates the choice of institutional form); this latter institutional context is also referred to as the ecosystem for co-operatives, which facilitates entrepreneurship in a less directive way to that of sponsorship/support (though the boundary is not always clear). The focus of this research is mainly on supply side and contextual factors which will be taken up in the analysis that follows.

Organisational Sponsored/Supported Co-op Entrepreneurship

These sponsors/supporters may be engaged directly in the entrepreneurial process through their roles in organisations, and/or as individuals or networks concerned with assisting disadvantaged individuals and communities. And there may be different trajectories which sponsors/supporters follow where they continue to have some role in the new social enterprise, once established.

In conventional business, different forms of sponsoring entrepreneurship, such as corporate venturing and intrapreneurship and the spin-off model is typically associated with different forms of external support including by business angels, venture capitalists, and development organisations of various kinds, including universities with science/technology parks. And there are parallels and well developed initiatives in the social economy, such as for social venturing, and philanthropic venturing.

GEM Studies used the following screening question to determine for examining this phenomenon: *Are you, with your employer as part of your normal work, currently trying to start any kind of activity, organization or initiative, which has a particularly social, environmental or community objective? (called “sponsored/supported starter” or “intrapreneur” Bager et al, 2007)*

And a similar approach has been applied to social entrepreneurship, see for example: Schøtt et al (2009) where the household survey on social entrepreneurship included a question on this sponsored/supported model.

Individual versus collective models of co-operative entrepreneurship

Research on entrepreneurship in cooperatives is not a highly developed field, but there is another distinctive feature of co-operative entrepreneurship which is different from that of conventional business. Much of the discourse on social entrepreneurship is dominated by the heroic individualistic model; Nicholls (2010) argues that the emerging paradigm of social entrepreneurship is dominated by the discourse from a few philanthropic foundations, which strongly support and promote the individualistic model. But there are other more collective and organised models of social entrepreneurship that are quite prevalent in the sector (Spear (2006); Spear and Hulgard, 2006; Spear, 2019; Montgomery et al, 2012). This growing interest, and recognition that collective models of entrepreneurship are more widespread than popularly understood is informing conventional entrepreneurship studies. This is leading to increasing challenges to the dominance of the heroic entrepreneur myth in popular discourse. In addition, this has implications for models of entrepreneurship in the wider social economy, where similar models of entrepreneurship might be expected due to the similarity of institutional form.

And indeed the work of the EMES research network emphasises this collective aspect as one of the social dimensions in its ideal typical characterisation of social enterprise: “An initiative launched by a group of citizens: social enterprises are the result of collective dynamics involving people belonging to a community or a group that shares a certain need or aim and they must maintain such dimension in one way or another”.

Montgomery, Dacin, and Dacin (2012) define collective social entrepreneurship (CSE) “as collaboration amongst similar as well as diverse actors for the purpose of applying business principles to solving social problems” (p. 376). However this definition, which reflects a tendency to emphasize the creation of social enterprise and the application of business principles, rather than a broader view of social entrepreneurship focusing on social innovation, encompassing a wider range of organizational and social change processes, practices, rules & regulations, as well as products/services.

Another useful view is that of Cook and Burrell (2009) who note the descriptor “collective” is utilized in three primary ways:

- 1) to recognize multiple parties engaged in entrepreneurship
- 2) to refer to the type of economic good generated by the entrepreneurial process and
- 3) to denote asset ownership

The focus here is on collaboration, coalitions of stakeholders, and networks; but the other two categories, type of good generated, and collective ownership of assets are clearly important outcomes of co-operative entrepreneurial collaborations.

Early work developing a conceptual framework of collective entrepreneurship includes two studies of social enterprises; the first (Spear, 2006) being several case studies of co-operatives and employee owned firms in the UK in a range of business sectors, and the second (Spear & Hulgard, 2006) being a set of case studies of European social enterprises drawn from a much larger study of work integration social enterprise Europe. The overall aim was to develop a framework which is appropriate for analysing a range of types of entrepreneurial activity. It draws both from entrepreneurial theory, and from an examination of these two sets of case studies of entrepreneurial practices.

The first series of case studies was of UK co-operative organisations formed within the previous 3-20 years i.e. with sufficient post-formation experience to be able to reflect on the relevance of different factors, but not so old that it is impossible for respondents

(interviewees) to remember what happened. In a few cases the original entrepreneurs have left the organisation, and in a few cases the organisations no longer exist. Interviews were conducted where possible with all major figures in the entrepreneurial process (since it was one of the hypotheses that it might not be a solely individualistic process).

The second study, of European work integration social enterprise (WISEs), were in a sector where government policy of public sector contracts was important; it is also an area where there are clearly strong social goals to help disadvantaged people. This comparative approach allows an exploration of initial findings from the UK in a wider European context, albeit in a specific sector of work integration.

The first (UK) study also attempted to cover a number of different sectors and explore different types of entrepreneurship. It was concerned to examine the influence of a number of themes – origins of the co-operatives, motivations of entrepreneurs, models of entrepreneurship, external support, social capital, and outcomes. It was hypothesised that social capital might be an important resource in the social economy. It was considered important to consider the role of formal and informal support structures in the entrepreneurial process (even including the possibility that the entrepreneurial process might be distributed outside the boundaries of the new co-operative enterprise for example to include public sector or social economy players and agencies); and it was felt that learning (see Jakobsen, 1996) and knowledge management approaches would have important contributions to make in understanding how the necessary skills and know how were acquired, and that this could help explain the differences between success and failure.

In both sets of cases studied, it is particularly notable that in contrast to the "heroic" individualistic view of entrepreneurship which is the typical model, the collective nature of entrepreneurship is very prominent in co-operatives.

In all 6 of the UK cases there was a more collective form of entrepreneurship – joint (partnership), leader/supporter, and team/group. And there is a certain intuitive logic here: that those involved with collective initiatives would be more likely to choose a co-operative structure than alternatives (and the same might apply to NfP structures).

A focus on the internal dynamics of entrepreneurship may also obscure the importance of contextual factors, such as individuals and organisations. These were found to be important in both the above studies, identifying circles of entrepreneurial action;

In the small-scale study of six workers cooperatives, Spear (2006) found the following:

- entrepreneurship not "heroic individualistic"
- but collectivist: joint, leader + supporters, or team based; different model for social economy?
- circles of entrepreneurial activity, wider group of external stakeholders (sometimes distributed across public/private boundaries);
- in wider circle - social capital utilised, (subsequently reciprocated)
- **rationale for institutional choice:** *mediated* through professionals, advisers, or support organisations;
- **(transitional dimension** in all cases: involuntary² ones from public to private)

² This voluntary/involuntary dimension stands out from the empirical evidence, and it draws on the literature in the field (including necessity driven entrepreneurship), see for example Paton et al, 1989 which describes worker buyouts as partly driven by 'reluctant entrepreneurs'.

In the second study (Spear and Hulgard, 2006), 17 cases of European WISEs were studied and analysed. It was found that the organisational role in social entrepreneurship was the most prominent with a firm emphasis on sponsoring/supporting the primary entrepreneurs, Spear and Hulgard stated: “three types or models of entrepreneurship can be distinguished, almost all of which are clearly collective forms:

- organisational (sponsored/supported) entrepreneurship in nine cases;
- citizens’ entrepreneurship in six cases;
- joint entrepreneurship in two cases.

Organisational (sponsored/supported) entrepreneurship (nine cases) takes the form of organisations leading or sponsoring/supporting the creation of the new enterprise – these organisations can be trade unions, voluntary organisations, municipal departments and so on.” (Quote from Spear and Hulgard, 2006)

A similar perspective was developed by Haugh (2007) who studied several community enterprise and adapted the stage model of entrepreneurship (opportunity recognition, exploitation, etc) and emphasised stakeholder mobilisation and formal/informal networks of support. (The development of the stage model was prompted by the influential paper by Gartner (1989) who provocatively reflected on a generation of trait theories with the statement: “Who is an Entrepreneur?” is the Wrong Question.

These findings do not exclude the possibility that key individuals could be entrepreneurial, or even play leading roles in a collective process of entrepreneurship, but it does broaden the framework to consider collective processes and individual roles within that, as well as the role of organisations as “places” for entrepreneurship, and in sponsoring/supporting it. This has implications for policies promoting entrepreneurship and an enterprise culture (Keat and Abercrombie, 1990).

Transformational and Collective Dimensions of Co-operative Entrepreneurship

Diaz-Foncea and Marcuello (2011) broaden the discussion of collective entrepreneurship and note a number of different traditions in entrepreneurship literature including: team entrepreneurship and collective entrepreneurship; but as they note team entrepreneurship includes husband-and-wife and family related entrepreneurship.

They have also made an important contribution (see their Figure 5 below) in recognising that new co-operatives are not only formed ex novo, but also through the transformation of existing structures – public/private; they note that in many countries the transformation of failing businesses into recuperated enterprises – employee owned or co-operative structures – is quite well established (in Spain for example *Sociedades Anonimas Laborales*, in Italy via the *Marcora law* (e.g. Lomuscio, 2023), *empresas recuperadas* in Argentina (Vieta, 2021); but one could add that we are also seeing transformations into cooperatives arising from reconfiguration of public sector provision into different forms of social enterprises (particularly in the UK), including cooperatives.

Figure 5. Models of cooperative venture creation

		model of ownership group formation	
		leader view	group view
birth mode	ex-novo	traditional entrepreneur	associative approach
	by transformation	brokered organizations	<i>recuperated enterprises</i>

Brokered organisations refers to enterprises that have been established by an individual, and then sold or brokered to a collective ownership group – such as in housing cooperatives in the US. And the ‘brokered’ category is expanded via another significant transformational pathway - where a succession crisis arising from a retiring owner may result in them selling the firm to their employees (sometimes taking advantage of tax-breaks); although many of these may be employee owned with limited employee participation (for example US employee stock ownership plans – ESOPs).

External Support and Social Capital

Small firm policy in many countries is informed by the recognition of the importance of supporting infrastructure (e.g. Van de Ven, 1993). Similarly it is clear that contextual and institutional factors may be even more relevant in supporting the setting up of social enterprises, compared to conventional SMEs. Most cases in both studies had significant *support from external stakeholders* like CDAs (Co-op Development Agencies), family, public bodies, voluntary organisations, and federal structures – these seemed important catalysts of entrepreneurial activities. Indeed current policy discussions emphasise the need to consider developing an ecosystem relevant to the co-operative and social economy (see for example Borzaga et al (2020). For an excellent example of developing a national framework for co-operative development (in Canada), see Duguid et al, (2015).

The cases show quite diverse patterns of distributed entrepreneurship with external groups or organisations playing key roles in several cases. In some ways this represents *circles of entrepreneurship* around the focal organisation, with the entrepreneurs within the organisation playing central roles, but with a wider group of *supportive external stakeholders* sometimes quite closely and essentially involved (as similarly argued by Haugh (2007)). And beyond this a supportive context of players provides resources, and expertise some of which is conventionally supplied, but some of which may be better conceptualised as social capital.

This finding resonates with a strand of the literature on networks and the importance of context, for example Johansson et al (1994) argue for the importance of different types of networks to access resources and knowledge (similarly see Medina Munro & Berlinger, 2017) ; but some of the relations discussed in this paper seem less instrumental, more social, bearing some resemblance to the moral support discussed by Goffee and Scase (1989), in relation to family. In addition, it may be that the collective nature of co-operatives facilitates access to social capital.

Towards a typology of co-operative entrepreneurship (with cases)

This section tries to bring together different elements of a typology, exemplified through some cases (many UK based).

- Individual co-operative entrepreneurs
- Collective entrepreneurship by a group of citizens
- Organisational entrepreneurship (sponsored/supported):
 - Consumer societies (regional/national)
 - Federal bodies and consorzi
 - Secondary bodies (education, banks, etc)
 - Other social economy bodies (trade unions)
- Networked entrepreneurship (including via social movements)

1. Individual co-operative entrepreneurs and collective entrepreneurship by a group of citizens

The first two categories have been discussed extensively in the above sections, but it is worth noting that in most countries a minimum number of people are required to register a co-operative,

2. Organisational entrepreneurship (sponsored/supported):

This category has been discussed in general terms, but there are interesting cases relating to the sub-categories.

- a. Consumer societies (regional/national)
 - b. Federal and regional bodies and consorzi
 - c. Secondary bodies (education, banks, etc)
 - d. Other social economy bodies (trade unions)
3. Networked entrepreneurship (including via social movements)

2.a Consumer Co-operative supporting Co-op Entrepreneurship

The UK Co-operative Enterprise Hub provides free advice and training and finance to new and existing co-operatives. It does this through a network of co-operative development agencies and their advisers; and in a sense through its website it provides a virtual network linking pre-existing development agencies. It is a wholly owned subsidiary (with registered name of Co-operative Action Ltd) of the UK's largest consumer co-operative (The Co-operative Group) with funding of £7.5 million over three years. This includes £1 million for community based renewable energy initiatives, a partnership with the Co-operative Loan Fund (set up in 2002, and funded by several large consumer co-ops, and provides loans of between £5,000 – £75,000 for start-ups or established co-ops) for community share issues, and activities to support youth co-operatives. It was established in 2009, and has provided training and assistance to 521 initiatives to set up new co-operatives, together with support for 165 established co-operatives. In 2011, 686 co-operatives (more than 1000 by end of 2012) received free advice, although the level of support is relatively limited – an average of 3.4 days for each co-operative. But a wide range of co-operatives were assisted including community owned pubs, social care co-operatives, library support co-operatives, cycling/bike co-operatives, and fair trade initiatives overseas. Similar entrepreneurial hubs exist in other countries.

2.b Co-operative Federal & Regional Bodies supporting Co-op Entrepreneurship

Federal structures are quite common in the co-operative economy where they often play economic and political role. For example, Co-operatives UK, the federal body for all co-operatives in the UK, provides support on legal and governance issues (new organisations can

register via this body using model constitutions, etc. In 2012 they assisted 300 co-operatives and mutuals with this service. They have recently extended this to an online support service for new co-operatives – in partnership with NESTA and One Click Orgs. And they have some support programmes for specific types of new initiatives, including community energy co-ops, co-operative development programme which match funds member donations; and community food enterprises, 240 of which have improved their governance and operations through a “Making Local Food Work Partnership”.

German Federal Audit Body: Levin (2011) studied how the role of this federal body helped increase numbers of new co-operatives in Germany, in response to a gradual decline in their number in the 1950s onwards - partly due to mergers, but also due to a lack of formation of new co-operatives in the traditional sectors (possibly due to declining, or saturated, or concentrated sectors). The National Federation DGRV, and its six regional co-operative audit organisations (CAOs) took responsibility for addressing this issue. The main role of the CAOs is conducting audits but they also provide additional business services (tax, legal matters, marketing), as well as training and human resource development. Thus taking on the role of more extensive business support/counselling could be seen as a natural development, but there were some barriers due to costs, conservatism, a lack of interest in small scales co-operatives, etc. A range of strategies were developed, with the successful outcome of substantially increased numbers of co-operatives being formed. This development of CAOs, was complemented by legislative reform in 2006 which reduce the administrative and financial barriers for small co-operatives to start up.

A UK regional consumer co-operative support model of entrepreneurship is Co-operative Futures which may have been the model for the Hub; it was founded in 1999 by the Oxford Swindon and Gloucester Co-operative, a regional consumer society, with strong social values. Due to its merger with the West Midlands Co-operative Society to form Mid-Counties Co-operatives Ltd, it is now part of the latter regional consumer co-operative. It has a membership of 50 co-operatives and provides advice and support mainly for co-operative start-ups. They also fund several organisations that support the development of co-operative enterprises including The Plunkett Foundation, and the Black Country Reinvestment Society - A total of about £2.8m was invested in various community projects in 2012.

In some cases regional sponsoring of entrepreneurship results in diversification: Mid Counties Co-operative diversified into childcare in 2002 and operates 49 nurseries across the UK. It also has an energy supply business for gas and electricity.

2.c Secondary Co-operative Bodies supporting Co-op Entrepreneurship

The UK Co-operative College, a charity whose board is nominated by the federal body Co-operatives UK, which also provides some financial support together with some funds from the large national consumer society, (The Co-operative Group), has established (by conversions) more than 400 co-operative schools run by parents, teachers, staff and other community stakeholders (by end of 2012).

Co-operative Training/Educational Organisation often play key roles sponsoring/supporting Co-op Entrepreneurship:

Saiolan: After the economic crisis of the early 1980s, the Mondragon Polytechnic decided to address more directly the problem of unemployment amongst young people. An early initiative, ACEMEX (Experimental Business Activities) led to the formation of Saiolan, in 1985, within the Mondragon polytechnic school, with the aim of creating employment through a customised education for business creation. It is a form of incubator providing all-

round support from the initial evaluation of the business idea, through training and coaching, directed study and learning, and financial support.

2.d Other social economy bodies (including mutual funds and trade unions)

Finance: Co-operative and social economy finance bodies have typically played important roles in supporting co-op entrepreneurship. The Caja Laboral Popular (Mondragon) is a frequently cited example; and the mutual funds in Italy where several are linked to federal bodies: Coopfond was set up in 1992 by Italy's largest co-op federation, Legacoop. Its funds derive from a legally mandated 3% share of profits which all co-ops must pay. As the Lega has 11,000 members with a combined turnover of €55 bn, this brings in €21m a year. The fund currently stands at €430m. It invests equity and loans in new and expanding co-operatives as a form of 'external solidarity'. In Belgium: Crédal, a co-operative of 2,000 members operates a €25m fund in Wallonia and Brussels, and makes 1,000 loans a year, of several different types – 80% social economy and 20% microfinance." Ref. Social Entrepreneurship Network, 2015

Trade Unions: there has often been discussion about whether the trade union model of industrial democracy and its system of collective bargaining fits with the more co-operative model of democracy. Nonetheless at the local/regional level there has often been a good spirit of collaboration, for example of worker buyouts of failing businesses. For example in 1995 the last coal mine in Wales was saved and turned into a worker owned business through the support of the National Union of Mineworkers. Known as Tower Collieries this organisation produced high quality anthracite for another 15 years; it was the largest employee owned company in the UK at that time. One of the organisations supporting its development was the Wales Co-op Centre (now known as Cwmpas), which was formed in 1982 after a visit to Mondragon by the Wales TUC (Trade Union Congress) which represents trade unions in Wales. This Centre subsequently developed credit unions, and social and community enterprises in Wales.

Local trade unions were also key supporters of the wave of more than 20 employee owned bus companies which formed in the 1980s after municipal bus companies were privatised (Spear, 1999). During the subsequent period of intense competition, they eventually succumbed to the adaptability of the company form to processes of concentration – amalgamations and takeovers, and their capacity to raise external finance.

3. Networked entrepreneurship (including via social movements)

Local and regional networks have been a feature of co-operative development in many countries. The Mondragon 'grupos' have been a key part of their success, allowing economic restructuring between member co-ops (exchanges of workers, etc). (including with the wider social economy)

Conclusions

The main themes emerging from this review of co-operative entrepreneurship:

Firstly it reveals a wide range of patterns of entrepreneurship; it is perhaps unsurprising that collective dynamics are found in the development of a collective form of organisation. Another theme informs this analysis: the involvement of other stakeholders including as sponsors/supporters of co-op entrepreneurship. And having opened that perspective, a wide range of models is revealed: including by community stakeholders, co-operatives, consorzi, federations, and other specialist bodies within the co-operative and social economy sectors; as well as different forms of networks including linked to social movements (old and new). The boundary between direct sponsoring and supporting activities is at times blurred, and the

'ecosystem' perspective is used by policy makers to refer to the full range of support that a well developed framework for entrepreneurship and growth requires.

This broader more collective and distributed perspective on co-operative entrepreneurship also helps inform research in the SME sector, as noted in the text when referring to corporate venturing, and spin-off, management buyouts, etc.

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Notes (possibly not required)

Co-operative Enterprise Hub provides free advice and training and finance to new and existing co-operatives. It does this through a network of co-operative development agencies

Co-operatives UK support on legal and governance issues including community energy co-ops, co-operative development programme, and community food enterprises,

Co-operative Futures founded in 1999 by the Oxford Swindon and Gloucester Co-operative,

The Co-operative College has helped established (by conversions) more than 400 co-operative schools