# Entrepreneurial Decision-making in Cooperative Organizations – Theoretical Implications of a Case Study Research

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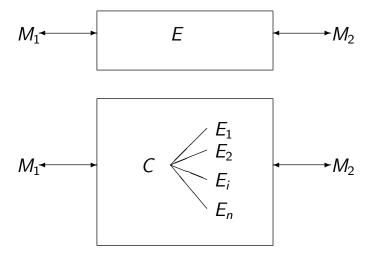
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## Agenda

- Introduction
- Methodology and Data
- The Idealized Innovation Process
- 4 Results
- 5 Conclusions and Theoretical Implications

## Division of Entrepreneurship



### Hypothesis (2)

The methodology of case study research provides an appropriate analytical framework for processes of communication of knowledge and processes of decision-making.

# BÄKO Südwürttemberg eG





Source: BÄKO Südwürttemberg eG, http://www.meinebaeko.de.

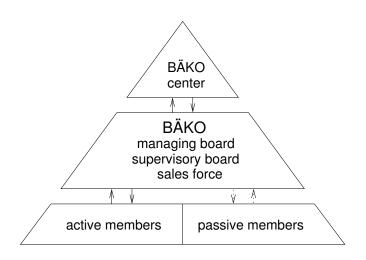






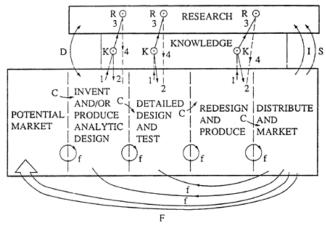


## The BÄKO's Institutions



Introduction
Methodology and Data
The Idealized Innovation Process
Results
Conclusions and Theoretical Implications

## The Classical "Chain-linked" Model

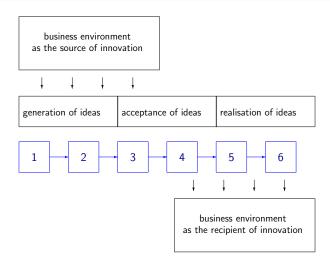


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### Hypothesis (3)

The popular view of processes of innovation should be modified in order to emphasize the cooperatives' environment as source and recipient of innovation.

## Innovation Processes in Cooperatives



## Practical Examples

1. snack

product innovation



2. coffee

process innovation



3. organic

systemic innovation



	phase 1 observation of the	phase 2 identification by
snack	customers	local entities
coffee	competitors	BÄKO and pilot bakers
organic	general market	potential analyses and market impulses

	phase 3 idea by	phase 4 product design by
snack	communication with customers	BÄKO and pilot bakers
coffee	internal communication (sales force and informal institutions)	
organic	internal communication (formal institutions)	BÄKO center and working committees

	phase 5 concept design by	phase 6 market launch
snack		tasting, communication with customers
coffee	BÄKO and pilot bakers	placement and sales- promotion
organic	BÄKO services (courses, faires, workshops)	(not completed)

### Hypothesis (4)

The processes of communication of knowledge are changeable and institutionally flexible depending on the characteristics of the underlying object of innovation.

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#### Hypothesis (5)

Decision-making does not follow a fixed dominance pattern within the cooperative network but depends on the type of innovation and the division of entrepreneurial capabilities.

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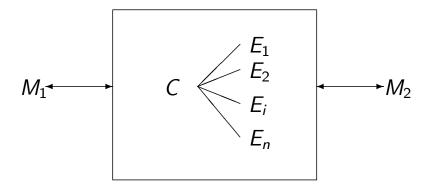
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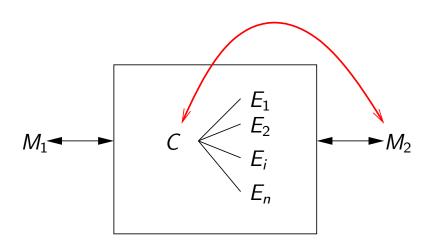
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#### Hypothesis (6)

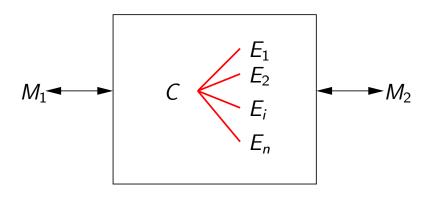
The institutions and mechanisms for the regulation of conflicts are rather appropriate for product and process innovations but less developed with regard to systemic innovations.



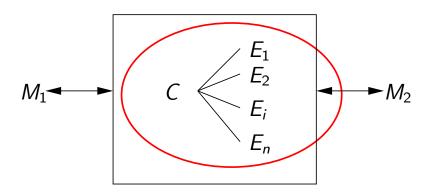
### Channel 1: Direct Observation of Market

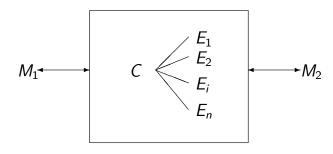


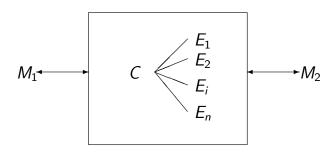
## **Channel 2: Monitoring Cooperative Connection**



### Channel 3: Direct Communication







### Hypothesis (7)

The selection of the appropriate channel is primarily driven by the dynamics of the concerned markets.

Methodology and Data The Idealized Innovation Process Results Conclusions and Theoretical Implications

Conclusions
Theoretical Implications