

Election of Board Members - Mechanisms and Cultures in Agricultural Cooperatives

Structure of presentation:

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3. Findings from literature
4. Need for additional classification
5. Theoretical framework

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1. Introduction

Election of board members has become in recent decades a significant object of interest in firms.

A successful election process is assumed to contribute to a competent board.

In scholarly literature there is a broad variety of studies concerning the election of boards in limited liability companies, especially public limited companies.

Cooperatives are seldom represented in these studies.

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2. Motivation

To bring the election mechanisms of board members in the center of discussion in cooperatives.

My assumptions from existing mechanisms are based partly on my work experience and partly on observations from the literature.

They both seem to refer to the same direction: this issue is underestimated in scholarship and is in practise less developed in agricultural cooperatives.

3. Findings from literature

Literature search made from EBSCO, Scopus, Google Scholar.

Limiters used	Number of articles received from search
In English	40 + 5
Full text available	28
Peer reviewed scholarly journals	3

	Number of articles received from search
In Academic journals	8
In magazines	20
Geography	20/28 in U.S.
Publication	Rural cooperatives 14 Farmer cooperatives 5 Agribusiness 2 Choices 2 Rural sociology 2

3.b) Findings from literature

One set of articles found dealing with the nomination of board members in agricultural cooperatives:

Bruce J. Reynolds of USDA; Rural Cooperatives (Nov 2003 thru Aug 2004)

1. “Co-ops follow more than one path for nominating board candidates”
2. “Election and voting policies of agricultural cooperatives”
3. “Compensating co-op directors”

Roles of Governing Bodies

Board of Directors



Roles of Governing Bodies (Hung 1998)

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4. Need for additional classifications

By mission:

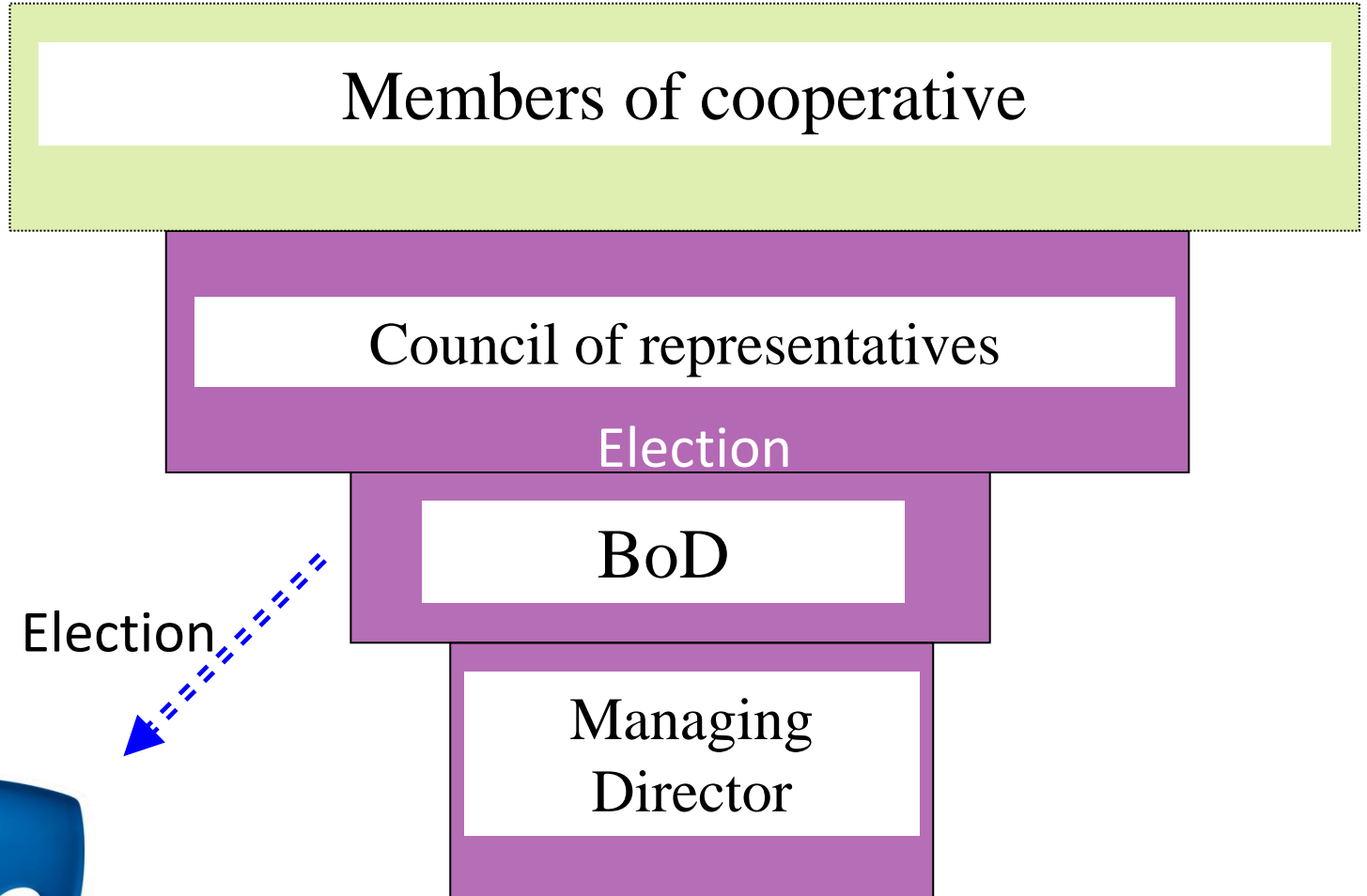
- A. Procurement cooperatives
- B. Marketing cooperatives
- C. Integrated (owner-) cooperatives

By size/number of members

By number of governing bodies (tiers)



1) Traditional procurement cooperative— case Valio (dairy) , Finland



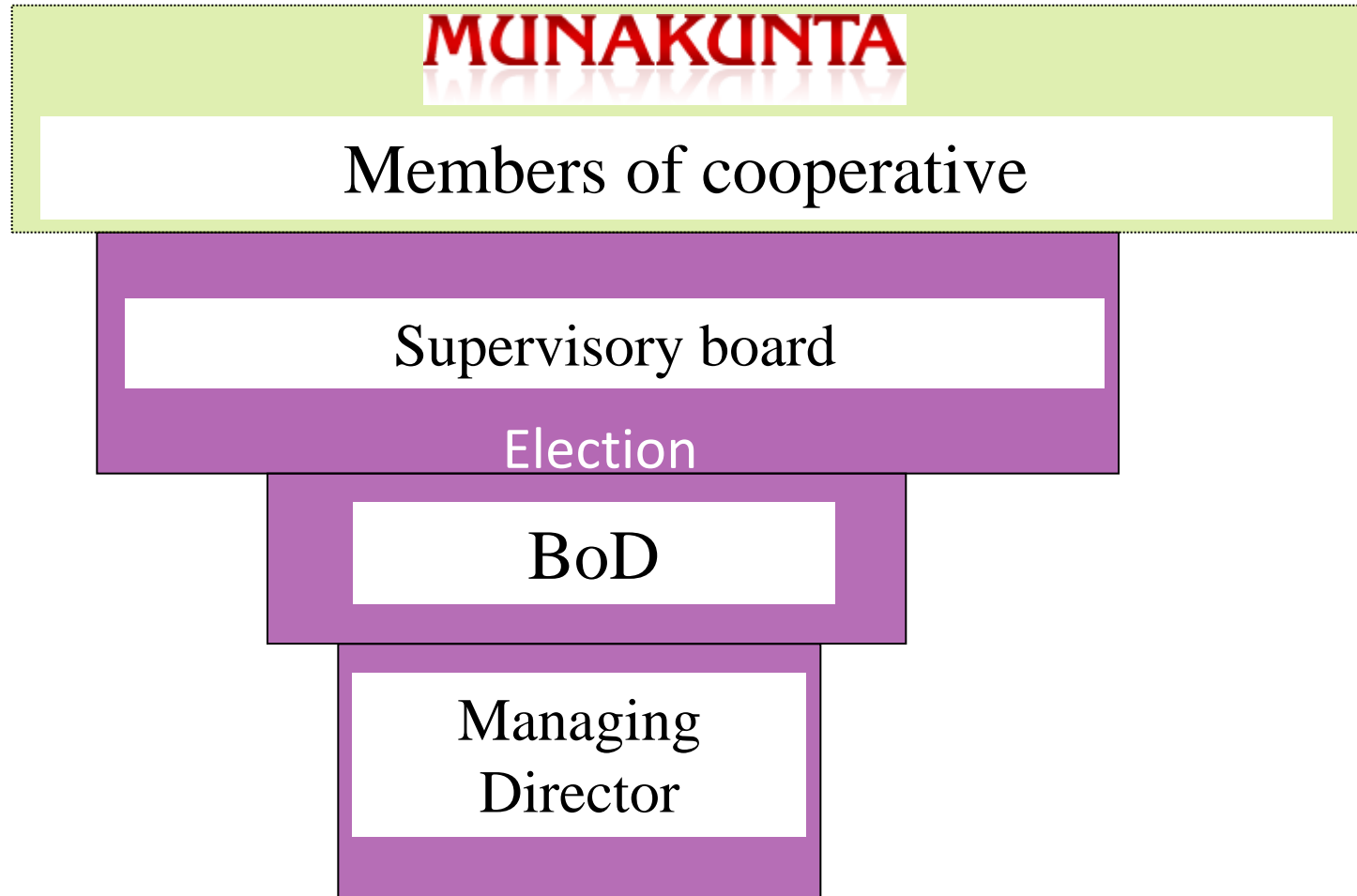
Election



Processing,
Marketing



2) Traditional marketin cooperative– case Munakunta (egg), Finland





3) Integrated (hybrid) cooperative – case LSO (meat) + HKScan Plc



Members

Council of representatives

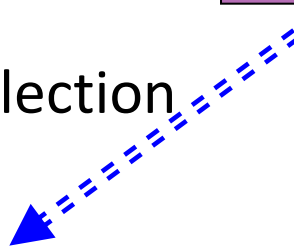
Supervisory board

Election

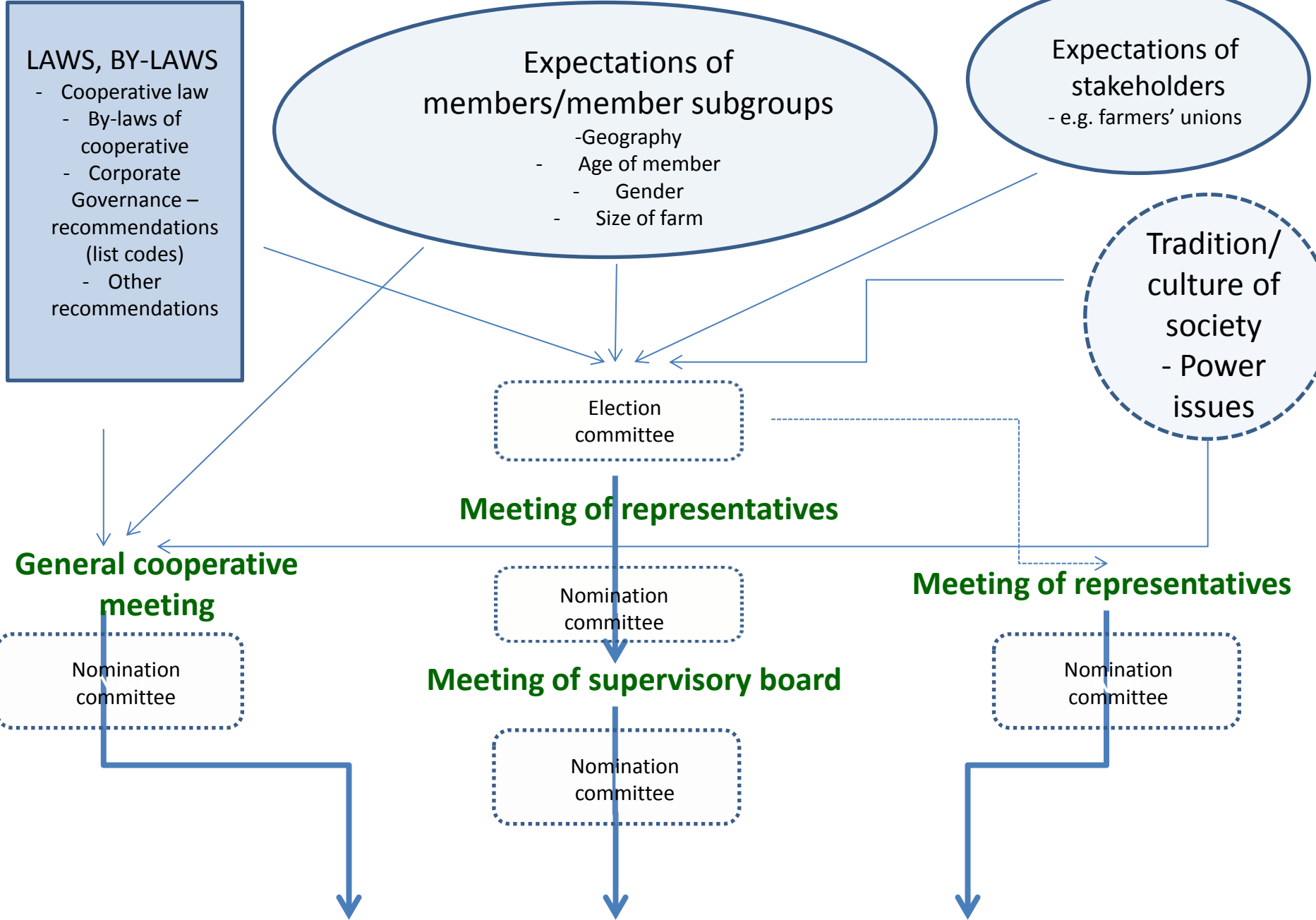
Bod

Managing
director

Election



HKScan



NOMINATION OF BOD

5. Theoretical framework for my prospective study

1. KNOWLEDGE GAP:

Nature of the election of board members

Legal and governance-linked factors

Cultural and tradition-linked factors

2. CONTRIBUTION:

Contribution to the interaction of scholars and practitioners

New empirical knowledge on the subject in mutually different types of agricultural cooperatives

Positioning and conceptualizing of the subject in the scholarship

Increase knowledge and understanding

3. STRUCTURE OF DISSERTATION:

