

# **Agricultural and Rural Cooperative Viability: A Management Strategy Based on Cooperative Principles and Values**

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## **Abstract**

We examine some characteristics of agricultural and rural cooperatives and their management challenges, in order to illustrate possible applications of Jim Collin's management concept, catalytic mechanisms, in the cooperative context. Agricultural cooperatives are experiencing complex governance issues, particularly in light of increased heterogeneity of member interests, and increased market and regulatory pressures. Member commitment is often recognized to be a necessary ingredient in the cooperative success, and while primary agricultural cooperatives are built on that commitment, new generation cooperatives need not be. In this article we argue that some of the governance issues may be alleviated by the application of creating catalytic mechanisms, a process that builds cohesion, preserves cooperative identity, and is based on cooperative principles and values. We illustrate this technique with examples of successful agricultural and rural cooperatives that already use such mechanisms in their management strategies.