

Merrien, Anne-Marie; Charbonneau, Josée; Jankovic, Iva et al.

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Social resources and cooperative resilience : findings from the Canadian cooperative sector during the COVID-19 Pandemic

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Kontakt/Contact

ZBW – Leibniz-Informationszentrum Wirtschaft/Leibniz Information Centre for Economics
Düsternbrooker Weg 120
24105 Kiel (Germany)
E-Mail: [rights\[at\]zbw.eu](mailto:rights[at]zbw.eu)
<https://www.zbw.eu/econis-archiv/>

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AUTHORS

ANNE-MARIE MERRIEN

IRECUS, University of Sherbrooke (Quebec, Canada)
Anne-Marie.Merrien@usherbrooke.ca

JOSÉE CHARBONNEAU

IRECUS, University of Sherbrooke (Quebec, Canada)
josee.charbonneau2@usherbrooke.ca

IVA JANKOVIC

BC Co-op Association (British Columbia, Canada)
ivajankovic999@gmail.com

SONJA NOVKOVIĆ (corresponding author)

Sobey School of Business,
Saint Mary's University (Nova Scotia, Canada)
snovkovic@smu.ca

FIONA DUGUID

Sobey School of Business,
Saint Mary's University (Nova Scotia, Canada)
fduguid@gmail.com

CLAUDE-ANDRÉ GUILLOTTE

IRECUS, University of Sherbrooke (Quebec, Canada)
Claude-Andre.Guillotte@usherbrooke.ca

ÉTIENNE FOUQUET

IRECUS, University of Sherbrooke (Quebec, Canada)
Etienne.Fouquet@usherbrooke.ca

Social Resources and Cooperative Resilience: Findings from the Canadian Cooperative Sector During the COVID-19 Pandemic

ABSTRACT

The international cooperative movement boasts a strong historical legacy of resilience in times of crisis. Early research suggests that this legacy is continued in the cooperative experience during this most recent of global crises, the COVID-19 pandemic. This study examines the cooperative experience in the first year of the pandemic in Canada, including its impact and the ways in which cooperatives have responded and adapted to challenging conditions. Regardless of challenges they were facing, cooperatives experienced stability during the crisis. They mobilized solidarity measures to support their members, employees, local communities, and other cooperatives including offering financial assistance, in-kind products and services and adapting operations to support pandemic relief. While cooperatives benefited from government relief programs, membership and community support as well as their networked structures contributed to their resilience.

KEY-WORDS

COOPERATIVE AND MUTUAL ENTERPRISES, ORGANIZATIONAL RESILIENCE, SOCIAL RESOURCES, COOPERATIVES' STAKEHOLDERS, COVID-19 PANDEMIC, CANADA

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1. Introduction

The COVID-19 pandemic has had far-reaching and wide ramifications, including in the cooperative sector. As researchers, practitioners, and cooperators regain footing, a deeper understanding of the positive and negative effects of the pandemic crisis is emerging. The lifework of Johnston Birchall, particularly relating to cooperative characteristics and resilience in crisis, provides insight into understanding cooperatives' responses and impact during the pandemic. In this article, we discuss the potential role of cooperative and mutual enterprises' (CMEs) social resources in times of crisis, based on the results of our study examining the impact of the first 18 months of the COVID-19 pandemic on Canadian CMEs. Indeed, the relationships that Canadian cooperative and mutual enterprises had with their stakeholders seem to have had beneficial effects on their ability to get through the first waves of the COVID-19 pandemic; a finding that Johnston Birchall would not have found too surprising.

The capacity of cooperatives to face crises has been the subject of abundant literature, especially since the 2007-2008 financial crisis. Earlier studies have focused on trends of increased cooperative formation during downturns (Bonin, Jones and Putterman, 1993; Pérotin, 2006); while after the 2007-2008 financial crisis and the economic crisis that followed the focus shifted to the resilience of cooperatives (Birchall and Hammond Ketilson, 2009; Sánchez-Bajo and Roelants, 2011; Lemzeri, Jaeger and Ory, 2012; Roelants et al., 2012; Birchall, 2013; 2017; Ouchene, 2015; Jaeger, Lemzeri and Ory, 2016). In the first case, cooperatives are presented as a response to socio-economic issues generated or revealed by a crisis or a shock (job losses, housing shortage, unemployment, etc.). In the second case, they are generally described as resilient organizations, managing to survive crises. Yet, authors discussing cooperative resilience rarely define the concept.

Jaeger, Lemzeri and Ory (2016) differentiate between resistance and resilience, associating the first concept with the ability to withstand a crisis and the latter with overcoming difficulties and recovering after the crisis. Their definition, combining resistance and recovery, is consistent with the most common perspective in the literature on organizational resilience, that of resilience as an outcome (Ruiz-Martin, López-Paredes and Wainer, 2018; Duchek, 2020). Studies that conceptualize resilience as an outcome generally focus on sources and factors such as organizational characteristics or resources that distinguish resilient organizations—those that perform well during a crisis—from less resilient ones (Duchek, 2020). This approach focuses on the coping capacities of an organization, where resilience is defined either as an equivalent of resistance, also named robustness, or includes the idea of recovery after a crisis.

Even implicitly, studies about the resilience of cooperatives are generally based on this perspective and mostly focused on the resistance component of resilience, that is as the capacity to absorb disturbances and maintain functions despite disruptions (Gilly, Kechidi and Talbot, 2014; Ruiz-Martin, López-Paredes and Wainer, 2018; Duchek, 2020). Resilience is, thus, conceived as a synonym for resistance or a relative insensitivity to crises. Moreover, a basic assumption in several cooperative resilience studies is that cooperatives are intrinsically more resilient than investor-owned firms (IOFs).

The analysis of the resilience of cooperatives is then considered based on indicators shared with IOFs, such as financial stability, market share, job losses/growth/stability or survival rates at the regional or sectoral levels (Birchall and Hammond Ketilson, 2009; Sánchez-Bajo and Roelants, 2011; Lemzeri, Jaeger and Ory, 2012; Birchall, 2017; Bazot, Jeffers and Ouyahia, 2019). As Camargo Benavides and Ehrenhard (2021: 973) highlight, the comparison of cooperatives with IOFs “is always an incomplete assessment, due also to scholars generally missing the social component of the [cooperative enterprise] and focusing their efforts on financial and productivity ratios”.

Since research tends to compare cooperatives to IOFs, factors likely to explain the resilience of cooperatives typically point to the specific characteristics of the cooperative model. These can be organized according to three main differentiating features (Novkovic and Miner, 2015; Miner and Novkovic, 2020). First, as people-centred organizations, cooperatives embrace a balance of objectives and tend to involve or consider key stakeholders in their decision-making process (Novkovic and Miner, 2015; Miner and Novkovic, 2020). Cooperatives are often described to be geared toward long-term goals (Ouchene, 2015) which, in turn, can accentuate the level of trust and satisfaction among members and customers (Birchall, 2017; Billiet et al., 2021). This balance between the generation of profits and consideration of stakeholders (Ouchene, 2015), as well as the anchoring of cooperatives in the community (Clément and Bouchard, 2008; Sánchez-Bajo and Roelants, 2011; Zanotti, 2011; Terrasi, 2012; Webb and Cheney, 2013; Leclerc et al., 2014), would allow cooperatives to better respond to their needs and expectations. Therefore, cooperatives could be in a better position to maintain or even increase their number of members or market share in times of crisis (Birchall and Hammond Ketilson, 2009; Sánchez-Bajo and Roelants, 2011; Lemzeri, Jaeger and Ory, 2012; Birchall, 2017; Bazot, Jeffers and Ouyahia, 2019).

A second feature concerns the distribution of “ownership rights equally among their members and [the fact that cooperatives] may hold a part of their assets in non-divisible reserves” (Novkovic and Miner, 2015: 11). As member-owned organizations, cooperatives tend to be more risk-averse than IOFs (Birchall and Hammond Ketilson, 2009), acting in industries where the risk is lower (Clément and Bouchard, 2008; Monteiro and Stewart, 2015) and to build up capital reserves which can act as a buffer in difficult times (Birchall and Hammond Ketilson, 2009; Sánchez-Bajo and Roelants, 2011; Terrasi, 2012). Indeed, studies of worker-owned cooperatives’ experiences in the aftermath of the 2007-2008 financial crisis conclusively found that those that kept substantial reserves better withstood the crisis (Sánchez-Bajo and Roelants, 2011; Birchall, 2017). Furthermore, Terrasi (2012) argues that cooperatives are more resilient overall in jurisdictions where cooperatives are mandated to keep indivisible reserves. Since cooperatives are not driven by profits or shareholder interests (Birchall and Hammond Ketilson, 2009; Webb and Cheney, 2013) and are typically not dependent upon capital markets for funding (Birchall and Hammond Ketilson, 2009; Sánchez-Bajo and Roelants, 2011; Ouchene, 2015), they are less exposed to the effects of capital market fluctuations.

Lastly, the third feature of cooperative enterprises is democratic governance and control by their members. “Self-governance is the underlying engine of autonomous cooperative enterprises”, with the vital component being democratic decision-making by their members (Novkovic and

Miner, 2015: 11). The capacity to mobilize members' participation in the decision-making process (Eum, Dovgan and Terrasi, 2012) offers cooperatives a comparative informational advantage in terms of what their members expect and need (Webb and Cheney, 2013; Ouchene, 2015). The active participation of members in decision-making structures and strategic planning ensures that the cooperatives' orientations and activities are in line with these expectations (Terrasi, 2012; Webb and Cheney, 2013), especially due to their accountability to members (Clément and Bouchard, 2008). This, in turn, is likely to reinforce members' loyalty and commitment. Another factor used to explain cooperative resilience, contingent on members' participation in decision-making, is related to diversified training and education opportunities (Sánchez-Bajo and Roelants, 2011; Terrasi, 2012; Webb and Cheney, 2013).

Based on prior research on the resilience of cooperatives, it can be said that cooperative-specific characteristics form the basis of cooperatives' "resilience potential", defined by Somers (2009: 13) as resilience that is latent, "not presently evident or realized". This resilience potential could be activated and, especially, reinforced by factors arising from the environment. For example, Eum, Dovgan and Terrasi (2012) and Terrasi (2012) point out that cooperative-specific characteristics may not be sufficient in themselves to ensure cooperatives weather crises. They suggest that the existence of cooperative networks such as associations, consortia and federations owned and controlled by national cooperative movements is an important factor in strengthening the resilience of cooperatives. Likewise, they observe that public policies and legislative frameworks protecting and promoting cooperatives act as reinforcing factors for their resilience. Ammirato (2018) also highlights the importance of cooperative associations and the broader ecosystem that supports cooperative employment for the resilience, growth and development of cooperatives in Italy.

Discussing organizational resilience, Duchek (2020) suggests that it results from the successful accomplishment of three stages of resilience (anticipation, coping, adaptation) and the development of resilience capabilities in each of these stages. Resilient organizations (1) attempt to anticipate and be prepared for critical developments and potential threats, (2) take immediate or short-term actions in response to unexpected events, and (3) adapt, transform, and learn after a critical situation has occurred. The author states that a broad and accessible set of resources is a required foundation for quick and adequate reactive capabilities under challenging conditions. She also proposes that social resources positively influence the resilience of an organization and, more specifically, foster the development and implementation of coping strategies during a crisis.

In line with Duchek's (2020) proposal, our results suggest that social resources, such as members, employees, community stakeholders and cooperative actors, play an important role in the resilience of cooperatives in times of crisis. Not dissimilar to the insights gained through Birchall's contributions, our research on the Canadian cooperative sector during the first waves of the COVID-19 pandemic has also identified that the resilience of cooperatives is reinforced by their relationships with internal and external stakeholders.

The first section describes the methodology used to study the impact of COVID-19 on Canadian CMEs, as well as their main responses, during the first 18 months of the pandemic. Our main results

are presented in the second section, focusing on the relationship between CMEs and their stakeholders including cooperative federations and associations¹ (CFAs). We then discuss our results in relation to other researchers interested in organizational resilience and the mobilization of social resources as a way of developing and implementing solutions to get through a crisis. To conclude this article, we propose further research to learn more about the resilience of cooperatives in times of crisis.

2. Methodology

Our research methodology included: (1) a review of the literature about the experience of CMEs during past crises; (2) a media review of Canadian CMEs' responses to the pandemic; (3) key informant interviews with representatives from Canadian CFAs; and (4) a Canada-wide survey of CMEs to assess the impact of the first 18 months of the pandemic on them and their responses.

The methodology used to carry out the literature review was inspired by that of a scoping review (Jesson, Matheson and Lacey, 2012). The aim of this review was to learn and understand how cooperatives had weathered and responded to past crises, with a focus on research about cooperatives in Canada. Our search criteria included publications in French or English on the responses, resilience, or creation of cooperatives or mutuals in times of crisis with no year restrictions. We also searched for publications about survival rates of cooperatives to expand our comprehension of resilience factors named in studies and research. A total of 41 publications were analyzed, of which 18 focused on Canadian cooperatives. The literature review showed that cooperative resilience is often studied but rarely defined (Merrien et al., 2021). Most of the publications conclude that the cooperative model represents a distinctive advantage to resist crises. Some authors still acknowledged that cooperative networks, such as federations, might positively influence the cooperatives' capacity to go through a crisis. This led us to add a section specifically dedicated to stakeholder relations in the subsequent survey to see if this could also be the case for Canadian CMEs during the pandemic.

For the media review, we analyzed a total of 282 news articles published between March 1, 2020, and March 31, 2021, using Co-operatives and Mutuals Canada's (CMC) online media search sweep about cooperatives, credit unions, and mutuals. These news articles were completed with 14 industry reports about the situation of CMEs since the beginning of the COVID-19 pandemic. Our descriptive analysis focused on the initiatives developed by CMEs, as well as the target audiences of these initiatives (El-Youssef et al., 2021). This led to the inclusion of questions about the support offered to different stakeholders in the survey that followed.

The key informant interviews were conducted to elicit information from CFAs and understand qualitatively how their member-cooperatives were experiencing the COVID-19 pandemic. In

¹ CFAs in Canada are cooperatives or non-profit organizations whose members are first-tier cooperatives, formed at regional or national levels for different purposes, from advocacy and technical support, to scaling up and diversifying.

total, 16 representatives from CFAs across Canada were interviewed in February 2021. The online interviews lasted 30-40 minutes each and included two parts: (1) the general impact of COVID-19 on cooperatives within their region or sector and the response patterns they observed; and (2) the perceived impact of COVID-19 on their organization and their responses. The results allowed us to identify the types of responses developed by CFAs for the benefit of their members, which were used in the survey that followed.

Finally, an online survey was conducted among Canadian CMEs to understand how the COVID-19 pandemic affected them in the first 18 months, to learn what measures they had taken to respond to the crisis and to identify the support they had offered and received during this period. The survey questions were developed based on the literature review, the media and industry review, and the findings of the key informant interviews. The survey was disseminated from July 15th to October 1st, 2021, through CMC's mailing list, as well as by federations, associations, and the research team's networks. A total of 192 responses were collected once incomplete responses were removed. Descriptive statistics were made to analyze the survey responses (Merrien, Fouquet and Charbonneau, 2022). Our survey results especially showcased that the relationships between CMEs and internal and external stakeholders could be instrumental in times of crisis. The next sections are thus focused on these specific results.

2.1. Research limitations

This research was conducted at a time during the COVID-19 pandemic when Canadians and the world were in the grips of the illness, with the "end" still a distant and unknown future point. Conducting research at this time presented some methodological challenges given that survey respondents or participants in interviews were basing their answers on the current state of affairs, not with the hindsight we now have in 2023.

While we worked to be both inclusive and representative in the terms searched and articles included in the literature, industry and media reviews, there could have been items missed. Additionally, we may have missed some experiences or nuances of experiences from interviews with representatives from federations and associations because we did not speak to all CFAs in Canada. Finally, although the dissemination of the online survey via cooperative networks was effective, it increased the likelihood of survey respondents being members of CFAs, thus generating bias in answering questions about them. Moreover, only 192 complete responses were registered by the time of the survey analysis. As such, the responses obtained cannot be considered representative of the situation experienced by all Canadian CMEs, nor are they sufficient to allow a comparative analysis of the situation experienced by CMEs of different types, regions, sizes, or number of years in operation. They also do not allow us to know whether CMEs had, at the time of the survey, fared better or worse than other Canadian businesses nor to consider the effect of the consecutive waves of the pandemic beyond October 2021.

3. Canadian CMEs through the first 18 months of the pandemic

The impact of the COVID-19 pandemic on Canadian CMEs is yet to be fully understood. Nevertheless, our Canada-wide survey shows that CMEs had maintained or increased their membership (83%), the products and services they offered (74%) and their number of employees (72%), in 2020, compared to the previous year. Surveyed Canadian CMEs seem to have made it through the first 18 months of the pandemic without too many difficulties. Indeed, most of the responding CMEs seem to have been able to continue their operations, despite temporary closures (sometimes lasting months) and other restrictions imposed by the government during the pandemic. This could indicate that many of them offer “essential services”, such as housing, social assistance and healthcare, food retail, etc. It could also be a consequence of the financial assistance received from the government (67% of the CMEs surveyed) or reflect the fact that a majority (69%) could maintain at least part of their activities through remote work. Finally, 71% of the survey respondents perceived that having sufficient reserves helped them better weather the pandemic. Only 20% of the survey respondents stated that their reserves decreased during the first year of COVID-19, while they remained stable for 26% and increased in 34% of cases².

Other than keeping up with social distancing measures, the main challenges identified by survey respondents were related to the labour shortage—not being able to hire or retain staff or worker-members—and maintaining a sense of community despite remote communication and work. A third of the survey respondents mentioned that their organization offered online training and conferences to maintain a relationship with their members and offer them support. The same proportion indicated that they consulted their members on urgent decisions. Moreover, 38% specified that they received financial, in-kind or technical support from their members between March 2020 and September 2021. As a result, 86% of the survey respondents asserted that their relationship with their members helped their organization to better weather the pandemic, with 55% saying it helped them greatly.

When asked about the support received from different stakeholders, survey respondents also underlined the important contribution of their employees. Indeed, 40% of the 192 respondents indicated that their employees offered them direct support through, for example, unpaid work or tasks outside their usual job description. If we consider only the 155 CMEs with employees that responded to our survey, this proportion rises to 49%. In fact, after the Board of Directors, employees had the most input into the solutions to implement in response to the pandemic.

Early in the COVID-19 pandemic, Canadian CFAs focused on supporting cooperatives to cope with government restrictions and required changes. Representatives of CFAs interviewed mentioned their role as intermediaries and lobbyists for their members in front of governments. Others reported creating communication channels specifically to relay up-to-date information about the spread of

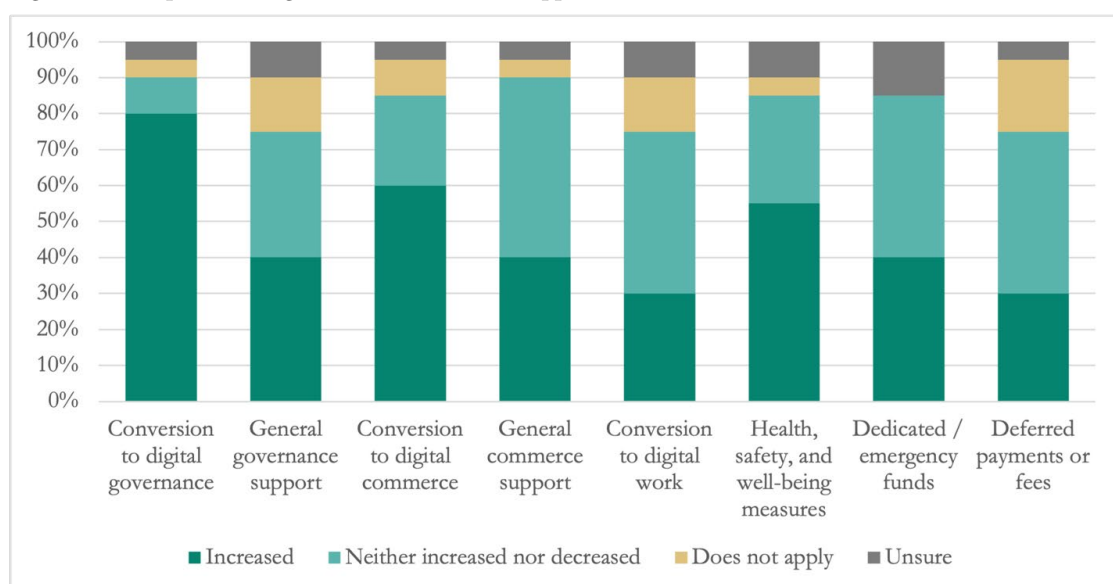
² The remaining 20% is distributed as follows: does not apply (11%), unsure (8%) and no response (1%).

the pandemic to their members, new restrictions, health and safety practices, government policies, and support/relief available. “[The pandemic helped us] recognize [our] importance as a connection and knowledge-sharing organization” (Interviewee from a cooperative federation).

This is confirmed in the survey, where all 20 CFAs’ respondents reported that their members have turned to them for information about COVID-19, and 17 out of 20 (94%) reported having had requests about COVID-19 governmental programs. Some respondents noted that they had assigned or even hired staff to perform these specific information and communication functions. “Financial assistance [from the government would have been useful] to compensate for the services of expert accounting firms and our HR [Human Resources Department] dedicated to the analysis and dissemination of government assistance available to federations and cooperatives of all sizes. This represents an investment of over 100,000 CAD” (Survey respondent from a cooperative association; our translation).

According to the CFAs surveyed, demand for their support services in the digitalization of governance and work—and commerce to a lesser extent—accelerated during 2020 (Figure 1). Cooperative federations and cooperative associations have played a similar role for their members during the pandemic, with general governance support and support for the conversion to digital governance being the services most used by the respondents.

Figure 1. Self-reported change in demand for CFAs’ support between 2019 and 2020 (N=20)



Despite the general increase in demand reported by the CFAs, only 30% of all (192) survey respondents mentioned having received direct support from a cooperative association and 26% from a cooperative federation in the first 18 months of the pandemic. Meanwhile, half of all respondents indicated that they had not received any support from either a cooperative association

or a cooperative federation. As we did not explicitly ask the respondents whether their organization was a member of a CFA, these results could be because they were not a member.

In addition to the support provided by the CFAs, 35% of all survey respondents indicated that their organization had received financial, in-kind or technical support from other cooperatives and 34% from community actors between March 2020 and September 2021. Survey respondents were also asked to rate their perception of how their organization's relationships with these stakeholders helped them better weather the pandemic until September 2020 (Figure 2).

Figure 2. Survey respondents who received support from varied stakeholders, compared to their favorable perception of the effect of their relationships with them on their organizations' capacity to cope with the pandemic (N=192)

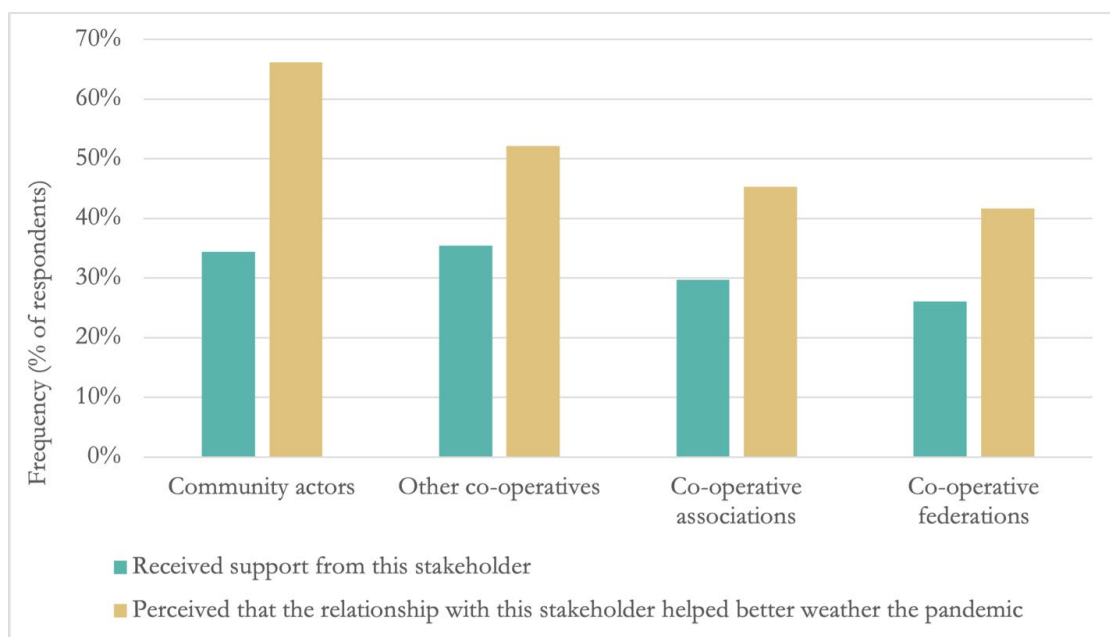


Figure 2 shows that even respondents who stated that their organization did not receive support from an external source still estimated that their relationship with these different stakeholders helped their organization better weather the pandemic. Arguably, without having received direct support from them, some benefits may remain through these relationships—for example, collaboration with community stakeholders, collective advantages obtained from the integration into a federative structure or services made available free of charge by associations. The importance of these relationships is further highlighted when considering only those respondents who indicated having received support from a CFA. Indeed, 84% of those who received support from a cooperative association and 86% of those who received support from a cooperative federation stated that their relationship helped them through the pandemic.

In sum, our survey results indicate that the situation of Canadian CMEs remained relatively stable between March 2020 and September 2021. In other words, Canadian CMEs appear to

have resisted the first 18 months of the COVID-19 pandemic well. This suggests that either the pandemic did not significantly affect their operations or that they were able to react quickly to deal with the unexpected situation. This stability may thus be the result of adequate response capabilities, reinforced by internal and external social resources such as members, employees, and community and cooperative actors. In the following section, we will discuss this last point further, with reference to the literature on organizational resilience.

4. The potential role of social resources in the resilience of CMEs

As stated above, the distinctive characteristics of the cooperative model could offer an important resilience potential to be activated when faced with an unexpected event. The literature review and our survey results suggest that contextual factors could be key in the capacity of cooperatives to activate this potential in difficult times. This is in line with the findings of Terrasi (2012) and Ammirato (2018) about the reinforcing role of national cooperative networks. Furthermore, Billiet et al. (2021) suggest that cooperatives' embeddedness in their local environment and the cooperative movement enhances their resilience. Community embeddedness is gaining renewed interest as various forms of community cooperatives are emerging, from community cooperatives in the United Kingdom, Italy and Spain to community energy cooperatives in Germany or Belgium (Mori, 2014; Bianchi and Vieta, 2019; 2020).

According to Weick (1993) and Weick and Roberts (1993), individual and collective learnings allow for the development of a collective organizational memory made up of the totality of its "knowledge, know-how, procedures, standards, and operating methods" (Gilly, Kechidi and Talbot, 2014: 598). Collective memory and skills form the organization's knowledge base, which "builds the foundation for the anticipation of critical developments (as well as coping and adaptation)" (Duchek, 2020: 235). They are thus the source of resilience potential of an organization and can help it find responses when confronted with a disturbing event.

In cooperatives, both members and employees are important in making up collective memory and skills. Our survey results show the important role played both by members and employees through the first 18 months of the COVID-19 pandemic. Continued patronage by members is an essential condition for cooperatives' survival, as members represent both the justification and condition of cooperatives' existence (Birchall and Simmons, 2004; Birchall, 2011; Billiet et al., 2021). Indeed, cooperatives that cultivate strong member participation in their governance may benefit from an "informational advantage" (Ouchene, 2015) or an increased "potential for networking" (Verhees, Sergaki and van Dijk, 2015: 50), helpful in both anticipating and reacting quickly to an unexpected event.

Building members' capacity to participate actively in cooperative governance has been noted by many scholars as critical to cooperative survival and resilience in times of crisis (Sánchez-Bajo and Roelants, 2011; Eum, Dovgan and Terrasi, 2012; Webb and Cheney, 2013; Leclerc et al.,

2014). Active membership can be beneficial for both the cooperative and the members (Verhees, Sergaki and van Dijk, 2015). On the other hand, aside from the studies looking at the resilience of worker-owned cooperatives (Sánchez-Bajo and Roelants, 2011; Roelants et al., 2012; Birchall, 2017; Davis, 2021), the role of employees in other types of cooperatives is often disregarded in cooperative resilience studies. Yet, our results indicate their importance in responding to the COVID-19 pandemic, through additional efforts to react quickly and maintain cooperatives' operations. Duchek (2020) also notes that a shared vision among an organization's members can help to successfully implement a solution, especially during a crisis. Therefore, the contribution of the members, the Board of Directors and the employees to the collective memory and skills of a cooperative, combined with a shared vision, could represent an important asset in developing and implementing quick and adapted coping strategies.

When faced with an unexpected external event, an organization's response will depend on its collective memory and skills (Gilly, Kechidi and Talbot, 2014). If the organization possesses "sufficient information and knowledge to deal satisfactorily with the uncertainty" (Gilly, Kechidi and Talbot, 2014: 598), the uncertainty will then be "absorbed", and the organization will not need to innovate to get through the disturbance. On the other hand, if the organizational memory is insufficient and the uncertainty is not "absorbed", the organization will have to develop "new directions of growth (overcoming the crisis)" or "seek, through external cooperation [...] the skills which it lacks" (Gilly, Kechidi and Talbot, 2014: 598). In the case where an organization makes up for its lack of skills or knowledge through cooperation, it must use relationship skills to join networks of trusted actors with common representations, shared and accepted rules and similar values (Colletis, 2010). Studying a nationally known rural cooperative in Indonesia, Wulandhari et al. (2022) found that "channelling" and "targeting" are two mechanisms used by the cooperative to either strengthen its available social resources or build/expand its networks to enhance its social resources.

Younger cooperatives cannot always develop such a collective memory before being confronted with a crisis. Even after several years of existence, it is not certain that cooperatives will be able to respond adequately to a crisis on their own, especially if they have not been confronted with such situations before. When internal social resources are insufficient to develop and implement new solutions, or when cooperatives are not able to "absorb" the disturbances they are facing, their lack of skills or knowledge could be filled thanks to their relationships with external stakeholders. Again, our results show that relationships with stakeholders such as community and cooperative actors helped cooperatives cope with the COVID-19 pandemic, even when they did not receive direct support from them. The simple exchange of know-how and ideas could be sufficient to expand their own "knowledge base (e.g., about the environment, former crises, successful actions)" and help them develop solutions for crisis reaction and implement the most suitable ones (Duchek, 2020: 234). This is reflected in the comment of one interviewee from a cooperative association: "*We became more networked as an organization—partnering with other organizations to provide services and support*" (Interviewee from a cooperative association).

Information sharing, resource exchange, or cross-functional collaboration are some of the contextual benefits of having a strong and broad network of social resources (Duchek, 2020). Therefore, the access to and mobilization of external social resources is undoubtedly a factor that strengthens the resilience of cooperatives (Terrasi, 2012; Billiet et al., 2021), especially when internal social resources are insufficient to develop suitable reactive solutions. Terrasi (2012: 52) mentions that “the mobilization of the participation of the wider community [...] makes cooperatives particularly prone to social innovation, combining the response to the new emerging needs and competitiveness in the market”. Inter-cooperative relations also considerably reinforce the capacity of individual cooperatives to take both short and long-term measures (Eum, Dovgan and Terrasi, 2012). Indeed, a tightly knit social network is a very effective tool for bolstering the resilience of cooperatives (Birchall and Hammond Ketilson, 2009; Sánchez-Bajo and Roelants, 2011) and organizational innovation (Novkovic, 2008; Novkovic and Holm, 2012; Novkovic, 2014). For example, studies found that worker-owned cooperatives organized in group structures, such as federations, better withstood the economic crisis that arose in the aftermath of the 2007-2008 financial crisis (Sánchez-Bajo and Roelants, 2011; Birchall, 2017).

The presence of cooperatives in a substantial part of the economy (Eum, Dovgan and Terrasi, 2012) or operating in the same industry (Stringham and Lee, 2011) are also noted as factors that appear to promote greater resilience or survival on the part of cooperatives. “Cooperative density” encourages both the creation of support structures for cooperatives (Pérotin, 2006), strong cooperative development mechanisms, technical assistance, and cooperative finance (Diamantopoulos, 2011; Webb and Cheney, 2013) and a greater number of sectoral and cross-sectoral networking (Leclerc et al., 2014). Support from first and second-tier organizations is also considered a reinforcing factor of cooperatives’ survival, especially during their first years of existence (Clément and Bouchard, 2008). Diamantopolous (2011) notes that concerted action between the cooperative sector, social movements and state actors amplifies their capacity to survive and develop.

Overall, the concepts of collective memory and skills, as well as social resources, reinforce the idea that cooperatives may have a distinct advantage in dealing with crises. Their resilience potential, based on organizational attributes as well as collective memory and skills, could be activated in times of crisis through the mobilization of stakeholders such as members and employees and reinforced notably by community and inter-cooperative networks. Cooperatives must develop “both a high resilience potential and the ability to realize and continuously enhance this potential” (Duchek, 2020: 233) to achieve high levels of resilience. Lessons should be learned from the COVID-19 pandemic and shared throughout national and international cooperative movements, to foster the development of adaptation capabilities and enhance the preparedness of cooperatives to deal with the next unexpected event.

5. Conclusion

Research on the resilience of cooperatives shows their resilience potential and indicates that they resist crises better than conventional businesses. Typically, the variables used to show the resilience of cooperatives in the literature focus on outcomes such as financial stability, market share or jobs preserved. These results reflect the resistance of the cooperative model and highlight its relevance in difficult times. Our results also confirm that Canadian CMEs were able to get through the first year of the COVID-19 pandemic without too many adverse effects, as they have demonstrated stability in terms of membership, staff and product and service offerings between 2019 and 2020.

Our data did not allow us to distinguish whether certain variables had a more positive effect on this stability than others. For example, it did not allow us to compare the situation of cooperatives in different industrial sectors or provinces nor to establish relationships between cooperatives' stability and cooperative density or government support received. Moreover, our data did not include information about the cooperatives' financial situation, membership or relationships before the pandemic struck. Those are examples of contextual factors that could influence the capacity of cooperatives to absorb the disturbances generated by the pandemic or to develop and implement effective and suitable coping strategies.

Further research on the influence of such contextual factors on the ability of cooperatives to respond quickly in times of crisis could lead to a better understanding of their (lacking) anticipating or coping capacities. National cooperative entrepreneurship and development networks could then be better informed about cooperatives at risk and intervene more quickly and effectively to offer them adequate support. Comparisons of strategies adopted by cooperatives could help explain why some cooperatives better cope with unexpected events than others and, especially, gain insight into the underlying mechanisms that foster the development of cooperative resilience, before, during and after a crisis (Duchek, 2020). A better understanding of what makes cooperatives survive, or thrive, in times of crisis, beyond their organizational characteristics, could be a first step towards addressing their resilience factors and enhancing their capabilities to deal with crises.

Our results also suggest that the social resources of cooperatives represent an important asset for the realization of their resilience potential. Relationships with members and employees as well as with community and cooperative actors were perceived by the surveyed CMEs as helpful to get through the first 18 months of the COVID-19 pandemic. That said, our study did not allow us to understand how and to what extent each of these stakeholders has been involved in developing and implementing coping strategies during that time. Moreover, the impact of the government financial support programs, from which a large proportion of CMEs have benefited during the COVID-19 pandemic, is yet to be assessed. Qualitative research, providing a richer understanding of the mechanisms, practices or processes used by cooperatives before, during and after a crisis, may offer substantial insights on how to reinforce the resilience of cooperatives. Learning more about mobilization practices that worked well during the COVID-19 pandemic and other crises could represent an important tool for individual cooperatives and cooperative networks and allow

the implementation of gained insight into their knowledge base and collective memory. If, as our results suggest, social resources are a crucial factor in the development and implementation of suitable coping strategies in times of crisis, efforts should then be deployed in the establishment of relationships between members and employees, where applicable, as well as in territorial and especially cooperative networking.

Further research will be necessary in the years to come, as the long-term resilience of cooperatives during this particular crisis can only be conclusively studied with the benefit of hindsight and historical distance. However, judging from historical evidence and our observations, we expect that the cooperative model will be a reliable long-term option for meeting member and community needs through the tumultuous times ahead. Community ownership and control of cooperative ventures reflect collective action to protect the commons or resolve various societal crises—from energy and climate to revitalization of abandoned rural communities. Therefore, and in line with Birchall (2013) and Billiet et al. (2021) suggesting that cooperatives can provide advantages to the wider society they are embedded in, we consider it important for future research to address the contribution of cooperatives to the resilience of their communities in times of crisis. Support offered to communities and vulnerable populations, as well as the simple measures to retain staff and continue to respond to members' needs, undoubtedly help to alleviate communities' difficulties.

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