



MODULE 2b

Factors that hinder a successful co-operation partnership

Hindering-factors; weaknesses/ threats

Overview

This module identifies those aspects that, if not considered from the early stages, can generate difficulties in establishing a successful cooperation system. Aspects such as the choice of partners, lack of transparency, lack of equity, lack of trust among partners or lack of an internal regulatory framework can make all good purposes meaningless.

Learning objectives (knowledge/skills/attitudes acquired)

Knowledge

- Alert on those aspects that could weaken a cooperation process
- Set foundations to ensure healthy processes based on mutual trust, shared objectives and a formal framework that reduces uncertainty among partners.

Skills

- Be aware of the importance of communication and social skills
- Leadership as a key to guide cooperation processes.

Attitudes

- Assume that ones own success contributes to common success
- Willingness to be transparent in the management of information and fair in the distribution of results
- Assumption of responsibilities.

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Introduction

Any cooperation or collaboration, irrespective of the field, cannot be effective unless there is a willingness on the part of the actors to negotiate agreements that link them voluntarily to search for a shared solution.

To understand how the actors of a cooperation system are related, many specialists and researchers are based on social constructivism: through their interactions, the actors of the cooperation system give meaning to their perceptions, impressions, experiences and personal preferences which determines its openness to sharing resources.

In this sense, it is necessary to promote from the beginning changes in the perceptions, rules and values of the actors with respect to the cooperation system itself and to the other actors, through the promotion of initial behavior favorable to cooperation, and the strengthening of trust between actors.

At the beginning of the cooperation, the actors will share the need to improve the situation they want to intervene, and many exchanges will revolve around what can be done, but behind the scenes there will be a high degree of uncertainty and distrust about the results, the risks and benefits of cooperation, and the behavior of others.

In this module we will present those factors that can generate uncertainty and instability in a collaborative initiative, proposing aspects that work to guarantee the success of the collaboration agreements.

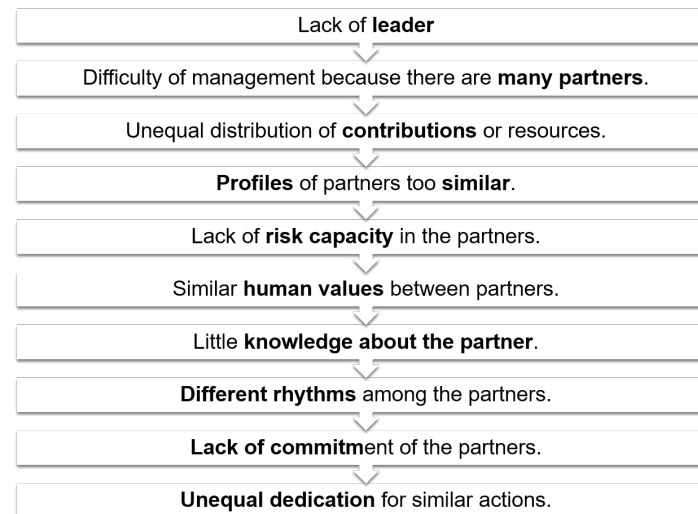
1. Early Stages of cooperation

1.1 To avoid

It is important to bear in mind that in this **initial phase** of cooperation, the **productivity of the cooperation system must be demonstrated**, first of all for the members of the system. Regarding this point, there are **three situations at the beginning that should be avoided**:

- **"The entanglement"**: The lack of definitions can strain and exhaust the energy of the actors that promote cooperation. It is necessary to rapidly develop a common, global and shared vision of what unites the cooperation system and how work is organized together.
- **"The smoke cloud"**: The lack of conduction in meetings can result in a tangle of good intentions and wanting to do everything, what prevents visualizing a tangible and short-term product of cooperation.
- **"Nothing happens"**: It is necessary to ensure that at least one actor of the system commits to guarantee the constant dynamization of the communication among cooperation actors, and documents the progress and learning to use them actively and constantly in meetings of the system.

Many of the problems derived from working with partners during a cooperation **could be avoided in the process of selecting partners**. Some of difficulties which might arise, which should be considered include:



1.2 To promote

In this first phase, and at least during the negotiation of the structure of cooperation, it can be very useful for the cooperation system to be advised by an external entity that assumes communication and management functions, instead of giving that role to an entity of the system and generate imbalances of power in a delicate moment of agreement.

In any case, the most necessary capacities for this coordination function are:

Will	<ul style="list-style-type: none">• Commitment to the shared vision and negotiation processes in the system, showing a proactive behavior, seeking contact and facilitating meetings and exchanges of information among actors
Credibility	<ul style="list-style-type: none">• Provide information about the intentions and facilitate negotiation among actors without expecting an immediate benefit
Equity	<ul style="list-style-type: none">• Value the diversity of the actors and respect the interests of actors with less negotiation power, promoting democratic decisions, common goals and balanced distribution of benefits
Announcement	<ul style="list-style-type: none">• Establish and maintain good social relations in favor of construction of cooperation system
Communication	<ul style="list-style-type: none">• Know how to communicate the shared vision and turn it into concrete actions, manage information transparently, with the ability to listen and solve specific problems of internal communication
Leadership	<ul style="list-style-type: none">• Avoid authoritarianisms, to develop a style that promotes transparency, the flow of information, active consultation, the participation and negotiation

The **probability of success will increase** if the protagonists in the initial phase also demonstrate a **constructive behavior that fosters the consolidation** of the cooperation system, **characterized by:**

Value diversity

- It starts from recognizing that there are no objective interests, because they depend on different experiences and perspectives. It is, instead, to take advantage of this diversity among the actors and visualize where it is possible to establish complementary links to generate new advantages for the system.

Vision and orientation

- The actors invest the time and effort necessary to build a shared vision and develop a common orientation.

Trust in experience

- When there is no basic trust in the competencies and resources of others, nor an expectation on the fulfillment of commitments, this increases transaction costs of a cooperation and the system will soon be stalled by non-compliance agreements.

Openness and focus

- When initiating cooperation in the system, it is necessary to expand the number of partners and allies. Many will be occasional traveling companions, observers and even opportunists. When the dialogue is established, attention can be focused on common goals.

Transparency in negotiation

- Active and open communication serves to demand the same from others, and is the key to negotiate strategic goals, common products and the coordination of processes. Therefore, interpersonal contacts and the exchange of information deserve a lot of attention.

2. Cooperation Formality Degree

The construction of a cooperation system requires **identifying a common objective that becomes a shared vision or value**, actors also preserve their particular objectives.

The possibility that everyone accepts and identifies with this objective depends on the degree of compatibility and congruence with respect to their own interests and values.

The **behavior in the cooperation systems has a greater margin of "freedom"**, which manifests itself in a flexible commitment to compliance with agreements and contributions to the system.

This situation can be much more evident at the **beginning** of cooperation, when the meetings and **rules are informal**. However, as the exchange of **contributions progresses** and the interest in the relationship and **risks grows due to the increase in interdependence**, the **need to establish more formal regulations** is perceived more intensely.

These **differences between the formal and the informal** can generate **tensions**, which is why the actors must be encouraged to find an adequate balance between informality and formality. These tensions are:

Processes against structure

- There is a **mix between a "free" dynamic**, directed by the interests and preferences of the actors of the network, **and the commitment to norms, rules and contracts** that are established by actors in cooperation systems.

Temporality against permanence

- The **relations** among actors of the system are **more or less stable but with a certain temporal flexibility**, what differentiates them from the more formal and bureaucratic forms of companies or public State.

Cooperation against competition

- Although cooperation systems are structured **around common objectives** or problems, some members may have **competitive interests**.

Equality against diversity

- The different **actors**, in a cooperation system, jealously **protect their individuality and the management of their resources**. Even when they are part of a joint structure

Communication against implementation

- Although it is **intended** to build a broad and interdependent **consensus**, its **implementation requires** other criteria of **rationality and effectiveness**.

3. Cooperation Formality Degree: The establishment of rules

The establishment of rules is a social practice that attempts to reduce the complexity of discussions, decreasing the uncertainty surrounding the behavior of others, but rules should be previously known and interpreted in the same way by actors.

The incentives to negotiate cooperation agreements depend in a large extent on the agreed rules or the legal-institutional framework of the system, but excessive rigidity can discourage actors that require more flexible contracts for their participation.

In any case, there are five basic areas whose configuration configures the normative framework of the cooperation system:

- **Entry and exit of actors:** The rules of entry and exit determine which actors take part in the game of the cooperation system. That means defining the inclusion of actors or their exclusion, and therefore define the incentives to sharpen and stay in the system. When only a few actors are in control of these entry and exit rules, they can exclude actors from the benefits of the cooperation system or from decision-making, which can lead to acute conflicts and even precipitate the end of the system.
- **Relative position of the actors:** These rules refer to the power that the actors have within the cooperation. The power of an actor derives from its access to resources, prestige, communication capacity, convening force, or technical capacity, among other sources. Position rules can reinforce or balance the power of the actors.
- **Interaction between actors:** The rules of interaction structure the exchange between the actors of the system with respect to the flow of information for the access and exchange of knowledge, coordination or negotiation. However, its greatest importance is to create trust among the actors: the lack of transparency, the retention or manipulation of information, the unequal distribution of benefits and restrictions on communication, mark differences and imbalances that are difficult to remedy.
- **Decision making:** The more resources and efforts are invested in cooperation, the more important it is to define the procedures to make decisions since these rules guarantee the transparent distribution of benefits according to the contributions of the actors.
- **Implementation of agreed actions:** Once a decision has been made, the rules of implementation determine the distribution of responsibilities to carry out the agreed tasks, as well as the benefits, rewards and sanctions related to compliance.

From what has been said previously some **consequences** for the practical configuration of the informality or formality of rules in a cooperation systems can be considered:

- On the one hand, defining and **regulating everything can promote trust**, but in the end it **negatively affects the creativity, flexibility, motivation and evolution** of the cooperation system.
- On the other hand, **considering** that **trust** is an essential component of cooperation, that leads to think about the role of the institutional framework in fostering mutual trust between actors. The **risks of informality** in a non-specific institutional framework can **only be replaced by an increase in interpersonal trust**.



4. Trust among partners

Trust is the fuel of cooperation arrangements, and can only be obtained from actors own experiences of cooperation and from the assumption about the prediction of the other actor's behavior.

As a resource, trust helps cooperation systems to be more efficient and reduce their transaction costs, reduce control and coordination efforts, save negotiation time, facilitate the open exchange of information and the acquisition of knowledge, replaces the fixation written contracts and the need to formalize the rules. However, without a minimum of trust, cooperation does not work.

Lack of trust has several reasons:

- Lack of personal openness.
- Insecurity about the motives and intentions of the other.
- Lack of opportunities for direct and frequent contacts.
- Lack of information and mutual knowledge.
- Absence of minimum agreed agreements.
- Impunity for non-compliance with agreements.
- Arbitrariness and poor transparency of decisions.



Types of trust in cooperative relationships:

Trust based on the process

- Process-based trust for future experiences. In this sense, interaction experiences, positive or negative, serve as a basis for making assumptions about the future behavior of the other actor.

Trust based on characteristics

- This trust is generated through experiences with partners that are linked to characteristics of age, sex or belonging to an ethnic, political, social group, etc., which creates a starting point for reliability.

Trust based on institutions

- Trust based on formal aspects such as reports, certifications, licenses, degrees, memberships, etc. It is based on values such as impartiality, quality, compliance with standards, transparency in decision-making, and accountability. All this generates trust in the institution.

Although trust can be based on formal aspects, it must be built fostering communication and closeness between the actors through social relations, it can arise unintentionally and then encourage and strengthen common action.

A permanent and reliable relationship between the actors of the cooperation system is a stabilizing factor in the relations of the cooperation system.

In this sense, **values that support** the creation, stabilization and reproduction of **trust relationships**:

- **Openness**: make available information and important knowledge for the members of the cooperation system.
- **Honesty**: false information is not given.
- **Tolerance**: everyone can contribute their opinions even if they are different from mine.
- **Reciprocity**: as justice in exchanges and distribution of benefits.



5. Other Cooperation Key Factors (to avoid weaknesses and threats)

- **Resources and capabilities of partners.** The quality and nature of the resources and capacities contributed to the cooperation by its partners, and the presence of prior trust, have a positive impact on the performance of the alliance.
- **Previous experience of the partner in alliances.** The previous experience of the partners in associations, the variety of agreements in which the partner participates and the partner's corporate culture that derives from their experience, have a positive impact on the performance of the alliance.
- **Share capital of the partners.** The direct and indirect ties of the partner in social networks have a positive impact on the performance of the cooperation.
- **Orientation to partner learning.** A proactive attitude on the part of the partner to learn from its collaborators, has a positive impact on the performance of the alliance.
- **Management of the alliance.** Greater communication, coordination, trust, commitment and consensus among the partners, has a positive impact on the performance of the cooperation.
- **Orientation to the learning of the cooperative system.** The actions related to learn and build knowledge that are undertaken in the association, have a positive impact on the performance of the cooperation itself.
- **Social networks of the cooperative system.** The structure and cohesion of the cooperation's social network have a positive impact on the performance of the alliance.

6. Strategies, knowledge, skills and attitudes

- **Positive interdependence:** create the awareness that the success of each member of the partnership is the success of the partnership. It is promoted through the elaboration of cooperation objectives, the division of tasks and roles and also resources (distribution and limitation of resources) and cooperation recognition (reinforcement of cooperation).
- **Face-to-face interaction:** work must be done to maximize opportunities for interaction. Farmers can learn by practicing with partners of the partnership. To be feasible, limit the number of members of the cooperation.
- **Individual responsibility:** avoid the dissolution of responsibilities (main drawback of group work) through the selection of responsible parties, the preparation of schedules and the monitoring of deadlines.
- **Social skills:** opportunity to teach social skills, such as, proper communication, knowing and trusting others, constructive conflict resolution, the participation of all members or acceptance of the points of view of others.
- **Self-reflection of the team:** the members of the association should devote time to reflect together on the team work process, the achievement of the objectives, the working relationships and the fulfillment of the assigned functions. As a result of this reflection, learning and knowledge are generated to improve the future decision making processes.

7. Weaknesses/Threats

Limited vision or failure to inspire

Lack of clear purpose or inconsistent understanding of purpose

Competition between partners for the lead or domination by one partner

Unequal and/or unacceptable balance of power and control

Key stakeholders missing from the partnership

Lack of commitment and unwilling participants

Lack of support from organizations with decision-making power in the partnership

Differences in philosophies or work styles

Inadequate understanding of roles and responsibilities

Hidden agendas

Failure to communicate

Failure to learn

Lack of evaluation or monitoring systems

Financial and time commitments outweigh potential benefits

Different vision and goals

- A common problem is the partners did not establish a long-term plan for their cooperation and split energy over different goals..

Personality

- Dealing with a partner will require people to tolerate another's personality.
- With partners, a slice of freedom is lost. .

Unclear responsibilities

- A possible threat occurs when the partners do not configure their responsibilities and parameters from the beginning. Both think the other is supposed to be responsible for critical tasks.

Financial Issues

- Delays in funding, and overspending
- Problems with achieving scale and time horizon for ROI longer than expected

Unsupportive environment

- Issues with contracts
- Public measures distorting the market
- Change in legal framework

Opportunity Cost

- Cooperation is without a doubt a great opportunity for farmers, but ultimately a farmer is sacrificing some resources, time/money, to access this cooperation

References/Links

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Knowing what to avoid and what to promote from the beginning, is a very important asset to guarantee the credibility and confidence of those farmers who initiate a cooperative relationship.

Those who lead associative processes must always consider what aspects may hinder their progress.

The experience predisposes our attitude towards cooperative processes, but there are values that we must assume when we initiate processes of this type. Openness, honesty, equity, will, communication and tolerance should be the framework for action where cooperative relations are developed.

Although we develop this type of framework, it is always advisable to give this relationship a certain formality, for this you can consider developing a regulatory framework that reduces uncertainty and guarantees the assumption of responsibilities.

The capacity of the cooperative system to learn from its mistakes and its successes will guarantee an improvement in its decision making and finally its permanence over time.