

Homecare Co-op Builds Social Capital

Building trust, participation and networking in the industry are how cooperative home care members help their enterprises and their communities. Wilson Majee's comparative research into the construction of social capital by two successful, well-managed, small home-care businesses in rural Wisconsin, one a cooperative, CHS, and one a conventional firm, JBS (both names are fictional), clarifies for academic researchers how social capital is constructed and by the way explains how the "ownership advantage" was developed in the cooperative.

Majee presented findings of his 2007 Ph.D. dissertation at a March 11 OEOC Faculty Associate Program. Majee's dissertation was written in the Development Studies Program at the University of Wisconsin.

His in-depth interviews with homecare workers, enterprise managers and clients revealed how responsibility, commitment to the job and trust can be created within the employee-owned firm.

CHS was a worker-owned cooperative started in 2001. At the time of Majee's study, it had 81 member owners at two skill levels and four professionals who administered the coop but were not members. The annual membership meeting elected the coop board president and directors. The conventional firm, JBS Placements, was founded by the president and owner, managed by vice presidents and directors, and supervised by home coordinators, with homecare workers at the bottom of the organization.

The cooperative advantage began with selection. The coop recruited new workers and potential members by asking them to pledge support for values. Among these were equality, respect, listening, fairness, consideration, thoughtfulness, professionalism, determination, openness, generosity and responsibility to others. No such explicit commitment to values was asked of the conventional firm's employees.

Next came building trust. Trust is particularly important in the home-care business, since most clients require care from only one worker at a time, and workers are isolated from each other. The workers travel from one client's home to another's, rarely encountering more than one colleague at most. It is hard to build trust when workers do not even meet.

Neither at JHS nor in most of the CHS employees' previous work for a county program did the home care workers have much opportunity to meet. By contrast, CHS had the explicit goal of teaching trust and it used committees, training,

and social activities to help members get to know each other better.

Communication was a key to building trust between the CHS workers and their professional administrators. Almost all CHS workers felt that the administrators were accessible, and that they were informed and consulted about business policies and practices through various methods. JHS supervisors and managers felt there was a free flow of information via telephone and record-keeping, but JHS workers did not agree. They had been surprised by a recent letter informing them of a wage reduction of \$1 per hour. The lack of consultation about the decision or even any advance explanation was seen by most of the workers as reducing trust in the company's leadership, which did not seem to appreciate their efforts.

At CHS, participation was encouraged and could take many forms. It began with confidence building through a continuing education program but also included picnics for all the members, members giving training sessions at the cooperative and presentations at conferences, these last identified and developed by the executive director. At JHS, supervisors held meetings in clients' homes and workers were expected to obtain training on their own at sessions organized by the county. Opportunities to participate were almost nonexistent.

Networks, connections with people in other organizations at different levels, such as countywide or statewide professional organizations, constituted another basis for growth and satisfaction among coop members. For some members, Majee writes, "...joy comes from the mere fact that the cooperative has given them the opportunity to interact with people they would otherwise never have met."

The networks included more than just professional contacts. Coop members built connections with grocery stores or banks where they escorted clients to shop or do business, even making connections between people in the community, who then helped each other directly. These opportunities were almost totally lacking for the ordinary home care workers at JBS. Some of those who held positions of authority at the company, however, felt that their status and recognition in the community had been enhanced by their positions.

Majee's complete paper is available on the OEOC website at <http://dept.kent.edu/oec/oecolibrary/WilsonMajeeCoopArticle.pdf>. **OAW**

Wilson Majee (standing) talks co-ops at OEOC Faculty Associate Program (photo by David Baird).

