

EXPANDED ABSTRACT

The level of knowledge and the social reputation of cooperative companies. The Region of Murcia case

Objectives. According to the International Labor Organization, one of the main barriers to the development of the cooperative model throughout the world is the lack of knowledge and social awareness about its values and its contribution to development. This study aims precisely to know the level of knowledge and social awareness that citizens have about the contribution of cooperative enterprises to the development of a more economically and socially responsible economic model, favoring the reduction of poverty, the creation of more stable jobs and that favors social integration. The main objective of this work was to study the level of knowledge that citizens have about the cooperative business model and its inspiring principles. Secondly, to check its reputation level against conventional capitalist companies, approaching their level of excellence based on the value that citizens give to these companies through seven large dimensions of reputation. To achieve this goal, a field study was designed, with which to gather primary information about the impressions, news and values that citizens have about cooperative societies.

Methodology. For the study of the level of knowledge that citizens have about cooperative companies, a questionnaire was designed with 21 questions, which was used with 321 citizens in year 2014 at different locations in the Region of Murcia, located in the southeast of Spain. With this questionnaire, besides approximating to the level of knowledge and the global assessment people have of this type of collective enterprise, also was studied the image that citizens have about these companies. For the study of business reputation, respondents were asked to value companies based on seven dimensions, following the RepTrak Pulse model. The seven dimensions considered were: D1. Quality: it offers excellent products and quality services. D2. Degree of innovation: offers innovative products or services or innovates in the way of doing things. D3. Treatment of employees: the company is an attractive place to work as an employee. D4. Ethics in management: is a company managed responsibly, behaving ethically and shows its operations with transparency. D5 Concern for society: the company cares about society, invests in good causes and does not harm the environment. D6. Leadership: is a well-led company, having recognized leaders and is managed with professionalism. D7. Profitability: it is a profitable company, obtaining good financial results. In addition to calculating a composite indicator of the level of reputation of the companies, the valuations achieved identify the dimensions in which the cooperatives have a higher or lower reputation.

Results. The extensive first information generated with this survey made it possible to verify how two thirds of the surveyed citizens trust cooperative enterprises. Although the number of people who trust cooperatives is lower than those who trust small and medium enterprises, it is practically twice as many as the number of citizens who trust large companies, which barely reaches a third of the population.

Social Economy concept is scarcely known among citizens, given that it was found that only three out of ten citizens know that involves different types of companies, such as cooperatives, insertion companies or foundations, as established in Spanish Social Economy Law since 2011. In the specific case of cooperatives, almost 8 out of ten citizens know that they are a "specific type of company form", the other respondents not knowing what form of organization this is. In particular, a small percentage thinks they are the same as non-profit entities. The level of knowledge of particular cooperative companies is wide, since 7 out of ten citizens are able to identify and name a cooperative company they know. However, only 15% knew that in 2012 the International Year of United Nations Cooperatives was celebrated. Social link with the cooperatives was found to be high, seeing as 11% of the respondents were or had been a member of a cooperative, such as agrarian, consumer, housing, teaching or banking. 45% indicated that they had a relative or close person who was linked to a cooperative, as a partner, worker or consumer. Then they were asked about three large cooperatives (food distribution and a bank), with a large presence throughout the Spanish territory, only 3 out of ten citizens knew these companies have the legal form of cooperative.

The study of cooperative movement in the Region, continued analyzing the image that the citizens surveyed have about this type of firms. Nearly 7 out of ten highlighted several values that identify these entities: they are more democratic companies; they are as competitive as other companies; they are a type of companies that support and promote values such as collaboration or democracy, clearly differentiating themselves from other types of capitalist companies. However, only one out of two respondents believed that it is a modern business model with a promising future given that it is a more responsible type of company.

The aggregation of the qualifications given by the respondents in seven dimensions of the reputation from cooperatives and from specific capitalist companies, allowed to analyze the global valuation granted each of them. Thus, the level of reputation of the cooperatives is globally slightly lower than that reached by the capitalist companies (6,1 < 6,3 according to a scale of 1 to 10). Both among cooperatives and capitalist companies, are financial entities (Banks) those achieving a lower average reputation, followed by super-hypermarkets, with the highest value been given to cooperatives and capitalist companies of "Other sectors". The capitalist companies achieve a higher valuation in several dimensions: in Profitability (D7); in Quality of the offer (D1); in Leadership (D6); in Degree of innovation (D2); and finally, in Employee Treatment (D3). On the contrary, cooperative firms outperform capitalists in only two dimensions, such as: Ethics in their management (D4), and second, in Concern for society (D5). Although this study has generated ample information about areas for improvement of the coo-

perative model, it would be necessary to extend this study to other geographical areas, carrying out larger studies that measure the level of reputation and image that this type of company has in Spain and in Europe.

Practical conclusions and original value. In spite of having verified that the citizens of Murcia have an adequate level of knowledge of the cooperative companies, very common in Spain, especially in rural environments, it is still important the educational task that should continue to be carried out in order to let this type of company be better known through the values it promotes and on which it is based, and how cooperative principles allow to develop more responsible and sustainable companies.

The image that citizens have about cooperatives, in comparison with that about capitalist companies, is particularly good in terms of their contribution to the "development of the rural areas", the "internal democracy" and their "professionalism", being able to "compete in equal conditions" with other companies. Although it has been possible to verify that the level of reputation that cooperatives generally have is "Weak" or "Vulnerable", this is better overall than that reached by capitalist companies.

Similarly, dimensions have been identified in which it is necessary for cooperatives to increase their competitive efforts, such as innovation or product quality. The social reputation of cooperatives only stand out in two dimensions, related to a more ethical behavior (Responsibility) and a greater concern for society (Citizenship). On the contrary, there is no greater reputation of cooperatives - in front of the capitalist companies - in other areas, such as their ability to generate quality working conditions, and it is urgent that cooperative enterprises recover the recognition of some of the cooperative principles that identify and differentiate them.

This work provides an unprecedented comparative study of the business reputation of cooperatives versus capitalist companies. The information generated through a survey has allowed to study the reputation of cooperatives, in a total of seven large dimensions, which provide very relevant information about their strengths and weaknesses in the opinion of citizens, and about spaces for competitiveness improvement of the cooperative model.

KEYWORDS: Knowledge, reputation, image, reputation, cooperatives, Region of Murcia.