

EXPANDED ABSTRACT

Antecedents of opportunism in Agri-food Cooperatives

Objectives

To join an agri-food cooperative is considered an available choice farmers have to deal with manufacturers and food retail chains' opportunistic behaviour. However, opportunism can be observed within the cooperative itself, among its members (partners, Governing Board and managers), which leads to problems that adversely affect cooperatives' performance and competitiveness. The objective of this empirical research is to know the factors that promote cooperative members' opportunism with the ultimate purpose of helping the cooperative's decision makers to hinder these undesirable opportunistic behaviours.

Methodology

Studies into factors favouring opportunism are scarce in the agri-food cooperatives setting. We found only the work by Marcos et al. (2014), which reported that membership heterogeneity is one such factor. Research is more prominent in the supplier-client relationships setting. Briefly, the meta-analysis by Wang and Yang (2013) revealed that environmental uncertainty and relative dependence promote inter-firm opportunism, while communication, cultural sensitivity, goal congruency and governance reduce it.

We herein study the influence on members' opportunism of members' heterogeneity and dependence, environmental uncertainty, long-term orientation, partners' market orientation and cooperatives' market orientation.

Considering the paper's aims, we propose five hypotheses:

- H1: Cooperative members' heterogeneity increases their opportunism.
- H2: Members' dependence on the cooperative reduces their opportunism.
- H3: The environmental uncertainty perceived by members increases their opportunism.
- H4: The long-term orientation of the members' relationship with the cooperative reduces their opportunism.
- H5: The cooperative's market orientation increases members' opportunism.
- H6: Members' market orientation reduces their opportunism.

The data to conduct our empirical research were collected with online surveys sent to key informants of agri-food marketing cooperatives (heads or managing directors). We collected 140 answers.

Regarding the measures, cooperative members' heterogeneity was assessed in terms of members' characteristics (age, level of education, economic status, risk aversion, their objectives in the cooperative, professionalism and technical level), the farm's size, and the products supplied to the cooperative (type, quality and quantity).

Dependence was measured with a single item, assessing members' dependence on the cooperative to fulfil their objectives.

Environmental uncertainty was measured asking about the difficulty to predict the market demand, market tendencies and competitors' actions, along with how often innovations in products arise in the sector, laws and regulations change, and prices vary.

Long-term orientation was measured with a single item, asking whether the cooperative's partners perceive their relationship with the cooperative as a long-term relationship.

Finally, cooperatives' market orientation and partners' market orientation were measured on a semantic differential scale, ranging from "cooperatives/members think that they should focus on producing everything the market demands (market orientation)" to "cooperatives/members think that they should focus on selling everything that is produced (product orientation)".

The measurement of opportunism is based on the definitions and dimensions considered by Wathne and Heide (2000), which classified opportunistic behaviours according to whether behaviour is active or passive, and whether the circumstances surrounding behaviour are new or existing. These authors described four types: evasion, reluctance to adapt, violation and forced renegotiation. The scale asked about members' performing each type of behaviour.

Results

A tobit regression model was estimated to test the hypotheses.

Our results revealed that partners' heterogeneity ($\beta=0.405$), environmental uncertainty ($\beta=0.260$) and cooperatives' market orientation ($\beta=0.259$) increased partners' opportunism, which confirmed H1, H2 and H3. Moreover, partners' dependence on the cooperative ($\beta=-0.277$), long-term orientation of the relationship ($\beta=-0.252$) and partners' market orientation ($\beta=-0.246$) reduced partners' opportunism, which confirmed H4, H5 and H6.

Practical conclusion and original value

The results herein presented are especially interesting from a managerial and an academic viewpoint. They can help cooperatives' decision makers in establishing and implementing mechanisms to combat these undesirable opportunistic behaviours of their memberships. From a theoretical point of view, they help to bridge the gap of empirical studies by analysing opportunism in the agri-food cooperatives setting. Up to this moment, the factors that promote opportunism have been mainly analysed in the field of supplier-customer relationships. However, there are few studies in the literature, especially empirical exploring this issue in the setting of agri-food marketing cooperatives. Most of these organizations implement a monistic management model (both democratic and professional structure is managed by members). Identifying these types of opportunistic behaviour within cooperatives is of a vital importance, since partners themselves can develop opportunistic behaviours both in their relationship as suppliers and as managers. Thus, managing members' opportunism is vital as, otherwise, it has considerable negative consequences on the performance and competitiveness of this type of organizations, challenging the cooperatives' long term viability.

KEYWORDS: Agri-food cooperatives, opportunism, heterogeneity, dependency, uncertainty, market orientation.