

The Role of Cooperatives and CSR: The Case of the French Agricultural Sector

Jean-Claude Taddei¹ & Thierry Delécolle²

¹ ESSCA, Angers, France

² ISC Paris School of Management, Paris, France

Correspondence: Jean-Claude Taddei, ESSCA, 1 Rue Joseph Lakanal, 49000 Angers, France. Tel: 33-2-4173-4747. E-mail: jean-claude.taddei@essca.fr

Received: November 25, 2011 Accepted: March 16, 2012 Online Published: July 1, 2012

doi: 10.5539/ibr.v5n7p73

URL: <http://dx.doi.org/10.5539/ibr.v5n7p73>

Abstract

Changes in French environmental legislation since 2010 require major companies to establish a corporate social responsibility policy. Although very small, small, and medium-sized companies are not as yet required to comply with these obligations, some of them consider that it is necessary to develop provisions addressing this concept, and even to fully embrace them. In view of the particular character of VSEs and SMEs, which are informal in nature, characterized by intuitive strategies, and have limited access to information, this reconnaissance study examines the role of agricultural cooperatives in disseminating information about CSR policies and implementing them in the industry. A preliminary series of qualitative interviews shows that these organizations are taking responsibility for assimilating the regulations in order to prepare their members, and that the existence of certifications is useful in this regard. The reconnaissance nature of the study has enabled us to formulate two research propositions, to be tested by future investigations.

Keywords: CSR, cooperative, agricultural sector, certification, VSE - SME

1. Introduction

Small and medium-sized companies (SMEs) and very small companies (VSEs) in the French agricultural sector are for the most part scarcely or not at all involved in formal Corporate Social Responsibility (CSR) procedures. In a majority of them, neither the managers nor the employees are aware of the meaning of the term. A chance encounter or a meeting bringing together some of the stakeholders may draw attention to the CSR concept, but this does not generally lead to significant changes in the firm's organization. However, the French economy is characterized by a set of legislative measures (the "Grenelle Environment Round Table") for the protection of the environment. The text of the French law named "Loi Grenelle 2" of July 12, 2010 devotes a chapter to the preservation of biodiversity, and particularly mentions the necessary development of farming towards a sustainable agriculture, both by the application of crop-protection products and by the development of bio-industries. The decisions reached by the Grenelle forum and the new obligations for companies having more than 500 employees make the CSR provisions both more pressing and more concrete. Moreover, collective pressures are increasingly being felt by actors in the agricultural sector who deal directly with environmental issues (green algae, shrike). As a result, the SMEs in this sector want to look ahead and prepare for these new constraints, rather than suddenly be faced with them without having taken the time to get ready. Nevertheless, a lack of knowledge, an absence of internal resources, and the cost in time and money make these requirements difficult and unrewarding to apply. Some firms seek information from their professional federation, their cooperative, or local reference institutions such as chambers of agriculture, chambers of commerce and industry, and other local economic organizations such as competitiveness centers, technology parks, SPLs, and the like.

Our research is particularly aimed at understanding how cooperatives are to participate in structuring their members' environmental practices. The objective, usually unstated, is to move closer to the provisions of CSR.

The first portion of this research describes the CSR concept and the position of cooperatives in the agricultural sector, before presenting the results of a qualitative reconnaissance study on the topic of CSR conducted among cooperatives. As we shall see, this particularly involves two initial phases: the consolidation of best practices and a search for certification, and is followed by a consideration of the expectations associated with sustainable

development in general. The last part of this research begins with a discussion, leading to the formulation of two research propositions on the role of the cooperative and environmental certifications.

2. CSR: When Concept Meets Reality

In 2001 the European Commission published a green paper devoted to CSR in the context of Europe. In it we read that a CSR approach amounts to “Being socially responsible, not only in order to meet the applicable legal obligations, but also to go beyond them and make a greater investment in human capital, the environment, and relationships with stakeholders.” Since that time, CSR has begun to infiltrate the administrative machinery of organizations.

The fashion for corporate social responsibility may have abated (Capron, 2000), or at least entered a more sustainable phase (Duval & Nahapétian, 2005), but its conceptualization is still too incomplete (Tchankam & Estay, 2004) for easy analysis.

CSR conceptualizes the ideas generated by sustainable development, and particularly emphasizes its economic, social, and environmental aspects as applied to development and the continuity of the company (Jenkins, 2009). The engagement of a firm in a CSR process remains voluntary: since the loi Grenelle 2 passed in July 2010, only companies listed on the stock exchange have had an obligation to include information concerning the environmental and social consequences of their activities in an annual report. This obligation is to be progressively extended to unlisted companies between now and 2013. Lastly, the social aspects of CSR are complex and demand local involvement, the use and fostering of networks, the building of partnerships, and a good knowledge of the local social fabric (Hammann et al., 2009).

2.1 CSR and SMEs

The issues underlying CSR are many. Some of them carry risks, and may consequently reduce this approach to a public-relations exercise. As a result some executives, fearing that the steady growth of their profits might be threatened, will reduce their involvement to a mainly promotional form. However, studies have shown a link between a capacity for innovation and commitment to the CSR approach (Spence et al., 2007; Bos-Brouwers, 2010). Practices such as monitoring (especially technologic monitoring) and economic intelligence gathering, employed to obtain information and detect new trends, promote a better assessment of CSR practices.

CSR represents an issue that almost all SMEs now take into account. At the very least, even if no actions are planned, the signs are growing, whatever the sector, the size of firm, the region, or the age of the company (Worthington et al., 2006).

SMEs are feeling increasingly concerned about CSR issues, especially the biggest firms and those with significant partnership ties, particularly to major companies. At a time when public relations are playing an ever more important role, an SME's image is not something to be neglected. Moreover, it represents a tool that an SME can grasp to create new opportunities for itself. It stimulates the search for new sources of profit and enables the activation of potential innovation factors, the goal being to identify new markets and to improve the firm's efficiency and organization (Moore & Manring, 2009; Russo & Tencati, 2009). This should then be expressed as an increase in competitive advantage, and the definition of a strategy that incorporates CSR practices.

The size of SMEs is one of the main factors for predicting the level of commitment to a CSR approach. This commitment is usually proportional to size, because of the greater resources assumed to be available. Corporate Social Responsibility and Sustainable Development (SD) are approaches which may also be influenced by the location of a firm as well as its culture and history, which are liable to act on attitudes and behaviors. The influence of the environment and the region may be decisive (Berger-Douce & Current, 2009). However, according to a study conducted by Labelle and Saint-Pierre (2010), and contrary to a somewhat older study by Berger-Douce (2008) the local area does not seem to play a decisive role for SMEs in a CSR approach.

Furthermore, SMEs that have international relationships are likely to be more sensitive to SD practices., Cultural differences, complexity, variations in regulations, working conditions, and the concept of human rights are additional items that may favor a commitment to an SD approach (Blombäck & Wigren, 2009).

2.2 Actors and Managers

The motivations of entrepreneurs are rarely related to the practices of sustainable development. They nevertheless grant CSR certain virtues, such as the improvement of economic performance. In this regard Fray and Soparnot (2007) find that CSR is sometimes used as a lever for organizational change. For example, it becomes a means for developing and strengthening relationships with stakeholders. It is also used in attempts to

improve the firm's procedures (Saulquin & Schier, 2007). Nielsen and Thomsen (2009) state that the managers of SMEs rely on their personal values and the culture of the firm to understand and develop their CSR-based strategies, especially in connection with local and regional issues. Their approach is more intuitive than formalized.

Moreover, information on CSR plays a crucial role in the acceptance of CSR practices by the managers of SMEs. Accordingly, the presentation and repetition of varied information on this subject will have an impact on their awareness and on their attitudes. Such information should particularly address the environmental and social consequences of the company's operations, best practices, and the costs and benefits resulting from a CSR approach. This awareness has a direct effect on the extent to which environmental practices are implemented (Gardenne et al., 2009). However, because of various impediments, CSR does not figure among the priority goals in an SME's strategy, its recent appearance on the corporate horizon being one of the reasons (Berger-Douce, 2008). Nevertheless, SME executives are particularly sensitive to environmental issues because of their investment in the local life and economy, notably via the various formal and informal occupational networks which they employ (Jenkins, 2009).

The managers' commitment is linked to their own values, but these are insufficient to remove the principal obstacles to the implementation of a CSR approach (Paradas, 2007; Spence, 2007). Moreover, the knowledge and beliefs of the managers derive in part from influences received from their familial, cultural, and ethical environments (Monti et al., 2007). It has been found that level of education constitutes a favorable factor in the acceptance of CSR. The ability to change, and to grasp the overall significance and interrelationships of the various issues, is promoted by the amount of higher education received (Gardenne et al., 2009; Schaper, 2002; Vives, 2006). And as shown by Mackey et al. (2007), companies and their managers derive benefits from implementing responsible actions in order to improve the image of the firm on the markets.

Furthermore, the managers of SMEs established more recently stand a better chance of having been sensitized to CSR than the managers of older SMEs, whose firms were built on development models that reflect mainly economic or competitive considerations. As a result, CSR-driven issues are more often incorporated into the companies' strategy and development planning (Cabagnols & Le Bas, 2008). Managers' involvement may also depend on how much time they have for seeking information and evaluating it. They will make their selection based on the views that they have and on the priorities that they set, according to their own decision-making procedures. It is generally accepted that SME managers are highly autonomous in making decisions and that their choices tend to be intuitive (Baillette, 2003). Hence the managers' beliefs (Paradas, 2006), and their ability to mobilize the actors involved and to make use of their connections, will enable them to seize opportunities, especially in the case of SMEs with access to extensive information networks (Julien, 1996).

2.3 Obstacles and Learning

A manager's primary concern is to balance the requirements of CSR with the obligation to make a profit. Implementing a corporate social responsibility approach must be conditional on first achieving economic responsibility. Although studies have not always demonstrated a strong linkage between such an approach and economic performance, the weak trend that has been observed (Vogel, 2005) appears to confirm a close relationship between the consideration of CSR requirements and meeting economic constraints. However, some authors have shown that strong regulatory constraints could be a threat to the company's development (Polge & Temri, 2009). A lack of resources, especially financial ones, is one of the main reported impediments to the implementation of a CSR approach. This obstacle implies the establishment of an appropriate financial strategy for funding these new practices (Berger-Douce, 2007; Gardenne et al., 2008).

The processes of collective learning create a dynamic learning organization favoring the appropriation of environmental issues by involving the various hierarchic levels (Senge, 1992). Collective approaches develop primarily at the initiative of actors associated with professional networks (Berger-Douce, 2008). They promote the incorporation of CSR approaches within SMEs by offering an alternative path for the resolution of certain problems (Bonneveux & Saulquin, 2009).

Local networks and communities promote particularly significant exchanges on new topics, which may be complex and economically doubtful. In this area we see how the commitment of the firm and especially of its employees in such networks can positively affect understanding of the CSR concept (Russo & Tencati, 2009). Learning these practices by making use of professional networks is strongly preferred when it is a network of peers in which information is readily shared (Jenkins, 2009). SMEs tend to be influenced by the successful experiences of other firms of the same type, in the same region and the same sector. Along the lines of the role of networks in the processes of successful development of an innovation, participation in a number of networks can

constitute a key factor in the successful implementation of a CSR approach. This will imply the active participation of the employees, an invitation to specialized institutional actors, publicizing the project to the various stakeholders, and involving the networks.

2.4 Cooperatives in the Agricultural Sector

Agricultural cooperatives are economic organizations developed in the late 19th Century. They enable actors to form groups in order to cooperate for economic and partnership purposes. During the 20th Century they acquired specific legal form in a number of countries (Draperi, 2005). According to the International Cooperative Alliance (Note 1) “a cooperative is an autonomous association of persons who come together voluntarily to fulfill their aspirations and their common economic, social, and cultural needs by means of an undertaking whose property is collective and in which power is exercised democratically”. This association in a cooperative - whatever the nature of its capital - has the primary purpose of sharing resources devoted to production. It also enables its members to have greater weight in dealing with buyers on the market (Cook, 1994). A cooperative establishes a kind of solidarity in the agricultural environment, and although it is not designed to assist members in their daily management obligations, it does ultimately support this function.

In a sustainable development approach, the principle of cooperation may be addressed in three ways: economic, human, and in terms of the land. As regards economics, a cooperative facilitates the integration of smaller structures, as long as the problems of collective action can be solved at minimal cost (Karantininis & Nilsson, 2007). In human terms a cooperative, by its very nature, facilitates cooperation by means of its democratic rules and by the role that it can play in education, in encouraging its members to assume responsibility, and in social progress. Lastly, its territorial aspects lead to better management of local resources over the long term by emphasizing sustainable and local development, especially among its members (Touzard, 2003).

Studies have demonstrated the role of CSR in supporting collective projects under the aegis of a cooperative (Capron & Quairel-Lanoizelée, 2007). This suggests a possible way of encouraging policies of local dialog (Ortman & King, 2007). In addition, the new requirements for quality, innovation, and certification strengthen local coordination and the collective learning offered by cooperatives (Holloway et al., 2000).

However, the issue of the role played by cooperatives in distributing information and in the implementation of a CSR approach in the agricultural sector has not so far been addressed. This issue, as yet unexplored, will be the guiding theme of the rest of this article. What does the CSR concept mean for cooperatives in the agricultural sector? Is it appropriate for them? How will they support their members in incorporating this concept over the long term? How does the certification process fit in?

3. Empirical Analysis

3.1 Methodology and Description of the Study

3.1.1 Methodology

This research study is intended to assist in understanding how environment-related, sometimes informal practices are slowly transformed into formal practices, with the aim of approximating or achieving provisions consonant with CSR. In this regard we particularly wish to grasp how cooperatives act to encourage the development of SMEs in the agricultural sector towards an agriculture of high environmental value.

This study forms part of a reconnaissance investigation, and is qualitative in nature. Moreover, this approach allows the formulation of research hypotheses in a developing situation. Consequently, our choice arises from the problem studied and from the constraints associated with it. This choice is further justified by the somewhat novel nature of the phenomenon being examined (Yin, 2000).

Because of the particular nature of our research topic, we chose the interview method. This involved questioning people with managerial responsibilities in cooperatives, by means of semi-directed interviews. The guiding themes of these interviews were the following: CSR, certification, the formalization of practices, and sustainable development. Since our objective was to highlight ways of providing information, training, and awareness concerning CSR provisions in SMEs and VSEs in the agricultural sector, the partly narrative description will favor the sharing of knowledge obtained from the research with the reader, and making the results more easily accessible and usable. Our study was also aimed at facilitating understanding of the phenomena studied by the actors directly involved.

The persons interviewed were responsible for environmental matters in their cooperatives. Their positions varied from one cooperative to another: we met with two directors, one HR director, and three project managers. The average duration of the meetings was about 75 minutes. The data resulting from the meetings were analyzed

using a thematic-content method (L'Écuyer, 1987). The relevant analytical unit was not necessarily a word or a sentence, but rather a unit of meaning: a situation, a concept, a fact, a sequence of events, or the structure of the related argument.

3.1.2 Context of the Study

The area selected for our study is located in Anjou, mainly in the Maine-et-Loire département, although the cooperatives interviewed embrace an area which extends well beyond this département. We chose cooperatives and persons who are responsible for environmental matters. Agricultural operations were not addressed in the present study. However, a preliminary reconnaissance of the ground was conducted in order to understand the local constraints and the opportunities available as regards sustainable development issues. This information was measured against that obtained from the literature, and was useful in preparing for our meetings, and in providing overall guidance during the research program.

During the interviews, carried out in 2011, it was found that all the persons questioned were familiar with the CSR concept, but none of them had as yet initiated any concrete actions in this regard with their members. At most, proposals were sent to agricultural operations to keep them informed of the organization of local events. Nevertheless, the same finding was regularly repeated. Without being specifically engaged in a formal CSR process, sustainable development practices, environmental certifications, and actions clearly aimed at planned social actions were being undertaken.

Our study may be divided into three types of observations. The first, which was usually raised at the start of the interview, complained of the constraints imposed by institutions and the curbs and impediments which they introduced. The second concerned the practices which the operators established, sometimes at the instigation of their cooperative. These included the difficulties of improving the conditions for production while providing better protection for the environment, and acquiring environmental certifications. Lastly, a third type of observation addressed the implementation of initiatives whose objectives included CSR goals.

These findings were compared with the role that cooperatives play in the adoption of a CSR approach. The program for our second investigation will be influenced by these observations and will guide our further questioning.

3.2 Constraints and Impediments

For many years, firms in the agricultural sector have been obliged to employ measures which emphasize environmental considerations, for example to reduce the pollution of streams and rivers, or to limit the use of potentially dangerous pesticides. In addition, competitive pressure forces companies to innovate and to prepare for the regulations imposed by public institutions. The Grenelle Environment Round Table, and particularly Grenelle II, establishes the area covered by these obligations and encourages companies to take steps to implement them. These considerations cause firms to pay attention to the regulations and to be continuously watchful regarding issues related to the environment. This is expressed in effective compliance with the directives issued by public institutions and by the development of a plan of action for meeting these new provisions.

“We pay attention to Grenelle II. We are getting ready for the “Vision 2015” Plan and ecologically-intensive farming. And we have developed ideas for green spaces. [...] We have been preparing sustainable-development projects for three years, for example the use of solar panels.”

Professionals in the agricultural sector are feeling the pressure on environmental and sustainable-development issues. It is especially strong because this sector is plagued by a great number of regulations, especially concerning the use of pesticides, and is experiencing increasing international competition. To avoid the sudden impact of new regulations connected to the environment, the cooperatives are all taking preparatory measures. They are looking for options that are appropriate to their members' activities. Action rather than reaction. One of their principal issues is the creation of an interface between the regulations and the members. This involves a compilation of the various provisions that address environmental issues. Next, they develop an expertise regarding these issues, and solutions are sought in collaboration with their members. It is a matter of dealing with the pressures exerted by the community.

“We are trying to get ahead, to be precursors. We adapt to the environment and we try to find answers. [...] We do this so as not to be passive victims. We prefer to prepare for the regulations rather than undergo rules set by technocrats in Brussels. We really want to be the actors in our own activities. [...] We feel that there's a collective pressure for sustainable development. [...] We learn about it and then we have to convince people.”

It is also necessary to recast the image of the people in the agricultural sector, who are often targets of the media and of certain ecologic organizations, which leads to considering new models of production which involve an approach incorporating respect for environmental constraints while also maintaining - even promoting - competitive advantages.

“There are strong constraints on the agricultural sector because of pesticides and water pollution. The national pressure is intense; there is the problem of green algae, pesticides with the bees, the shrike. All this increases the pressure on producers. [...] Some members have established a club for advances on environmental aspects so as to get ahead and to understand the issues, especially concerning competition, there’s an argument about their impact.”

Our interviewees know about CSR and to various degrees the ideas that it embodies. But at present the term is restricted to sub-categories of sustainable development and is only rarely used with their members. These are for the most part fully occupied by their activities and barely think of other matters - and even less about a concept still perceived as a constraint.

“CSR? I haven’t heard anyone talk about it. We have no requests from producers. [...] There are no current practices, the producers are primarily concerned about their operations and their profitability. But it’s true that one feels a concern related to environmental problems. [...] Also, bio-farming doesn’t interest them. They don’t see what it could do for them”.

3.3 Current Practices

The interviews clearly showed that firms in the agricultural sector, because of the particular nature of their trades and their involvement in altering the ecologic balance, have established practices that take into account the environmental dimension of their activities.

However, the cooperatives do not as yet have plans to incorporate a CSR approach into their organization, and so they do not publicize this approach among their members. They do consider the expectations and pressures expressed by public institutions, the media, and society at large.

The biggest cooperatives encourage their members to create a new agriculture to deal with environmental constraints and to promote new products that incorporate these constraints. In the first place, it will be necessary to make these new practices achievable and profitable. The environmental dimension is taken into account and integrated into the construction of this new agriculture.

“We are working on a number of social and environmental levels, but we have not subscribed to a formal CSR approach. [...] We are not following the Grenelle forum’s policies. Firstly, we are not obliged to, the operations are very small-scale, and most of them are VSEs. On the other hand we do have discussions on sustainable-development issues. [...] We regularly take part in events to promote new products and to create a new agriculture. [...] We are looking for industrial solutions, for example by adapting machinery, by using technology.”

Together with their members, the cooperatives are choosing to develop practices that are not necessarily in line with the Grenelle recommendations. However, the issues of sustainable development do guide their decisions and are expressed in concrete actions on the ground.

Beyond the collective establishment of environmental practices, the cooperatives offer to take care of this aspect for their members and to apply it in their companies. For this purpose they organize seminars and meetings, and invite environmental professionals to introduce their products to their members, and take part in one-day conferences devoted to CSR (Note 2) and then submit a report to their members. Those who take part are responsive to the messages and appear to understand the importance of implementing sustainable-development approaches. However, they quickly run up against a variety of constraints such as the cost of carrying them out and the time that it demands.

“We were not expecting the Grenelle Environment Round Table. For example, beginning in the 2000s we had complied with waste-management standards, for example in the processing of effluents. [...] We encourage our members to perform a carbon balance and to take an environmental approach. At the beginning they’re interested and motivated. They find the approach to be positive, and they support it. They ask questions, they take an interest, want to know what to do. They consider the idea important. [...] But pretty quickly the problems arise. The implementation procedures, the cost of carrying it out, and so on.”

Companies in the agricultural sector had prepared for problems related to the environment. In order to develop this approach the sector encouraged certifications. One of the first was established in Holland in 1995: the MPS

(Note 3) (Milieu Programma Sierteelt) used for horticulture. It has been increasingly applied in France since the 2000s. It enables producers to benefit from a label that guarantees their environmental approach. Above and beyond the provisions made by the cooperatives to inform and train their members in sustainable-development practices, there is nevertheless a manifest desire to support the attitudes dictated by CSR. This attitude will follow a series of stages marked by the implementation of certain practices and by the acquisition of certifications which formalize these practices. These approaches will tend to guide the selected practices in the direction of the Grenelle environmental directives. Moreover, one of the advantages of the certification process is that it stimulates compliance through innovation and a search for solutions.

“Producers become aware that the limits are technological, and involve good agricultural practices, alternative methods, biologic aids, trap plants and host plants, and crop-protection strategies. [...] For at least the last decade the sector has been experiencing a cultural revolution, well before there was any talk of CSR. The MPS certification is an eco-label designed for an environmental program in horticulture. It currently includes 20% of horticulturists. [...] In environmental matters there is no engineering solution, you have to go outside the business, and seek other skills. [...] This should lead towards the Certification Fleur Bleue, which supplements the MPS certification with a code of best practice. The objectives are to take into account the Grenelle environmental recommendation, to provide an opportunity for innovation, and to highlight French production. [...] In our sector we have set up a series of steps for certifying agricultural operations. We supply information, we offer advice, and we direct sustainable-development questions to our specialist partners. The goal is to certify the operations with respect to environmental issues. It isn't CSR, but we're not required to do that. And then concrete actions develop on the ground”.

The interest shown by the cooperatives in sustainable development goes beyond environmental matters and, while not using its name, truly represents a CSR approach. Thus, for example, their involvement in the field of vocational integration and in employing the disabled addresses social and societal issues. These are even concretely expressed in partnerships developed with local vocational-integration associations. Beyond the goal of incorporating the provisions of CSR, their responses also reflect solidarity and community relations. In rural areas agricultural operations have occupied, and still occupy, a place in a system in which everyone knows one another and where a diversity of qualifications ensures the employability of persons seeking appropriate work.

“Our practices are more a matter of experience than formal procedures.. For example we have a policy of integration both for employment and regarding the disabled. For this we have partnerships with local associations. [...] Farming has always had a social role, as a reservoir of employment in the country for fragile persons. We can always find a job, even for the village idiot. In horticulture, firms have already been involved in the integration of persons who are fragile or having problems. They more easily accept the disabled. And then many of them have early experience in this area. [...] It's true that the companies have a real economic interest, but they are also in favor of employing the illiterate, in partnership with integration associations.”

3.4 Implementation

The economic dimension is a constant feature of environmentally-themed activities. The new economic model must incorporate limits on pesticides and the achievement of profitability. This approach is a feature of Ecologically Intensive Agriculture (AEI (Note4)), which draws its inspiration from the Grenelle forum's recommendations.

“We operate along two main lines. The first is centered on industrial practices, with economic objectives. We are looking for tomorrow's answers, ideas for limiting the use of chemical pesticides, and towards a new, ecologically-intensive agriculture. [...] We seek for economic balance by trying to reduce the environmental impact through alternative solutions. [...] We regularly take part in events to promote new products and to create a new agriculture. [...] We are looking for industrial solutions, for example by adapting machinery, by using technology”.

Some cooperatives have gone a long way in formalizing this approach, designed to lead their members to adopt CSR. Various steps lead the firms to become compliant and to acquire the principles which will allow them to work their way up to the attitudes dictated by CSR. These steps include a certain number of mandatory requirements which the firms attempt to meet, with varying degrees of success. They lead to obtaining certifications which play a dual role: looking ahead for environmental problems, and preparing for CSR. Moreover, in order to avoid any pressure or confusion of ideas, the very term CSR is rarely if ever used.

“A tool has been developed for horticulturists, to help them obtain the Fleur Bleue [certification]. We begin by making an assessment. This involves a battery of 150 mandatory requirements (on pesticides, water, diversification, etc.). Believe me, when you show them those 150 requirements, it captures their attention. Next

we move to the compliance phase. Then there's a more technical assessment which includes an inspection and a check-up, before continuing to provide advice and support. And then we broaden the scope to include the local commitment and the validity of the processes. We do all this over a two-day period, which should lead smoothly towards CSR. But we never use the term CSR. It's only at the end that we mention it, and at that point they say "Oh, that's what CSR is"."

The cooperatives are not hesitant to call on specialist consultants regarding environmental issues. The implementation of consciousness-raising exercises followed by training relies on advice from these companies, which support the cooperatives and their members by presenting studies on sustainable development. A search for environmental solutions and their incorporation into local practices reinforce the collective and partnership approaches. These are initiated by the cooperatives, which mutualize the expectations, requests, and actions of their members. Commitment to the local area strengthens these exchanges and promotes collective learning. The local dimension regularly recurred in the discussions, especially because of the history of the firms, some of which have been there for several generations.

"For environmental questions there's no engineering solution, you have to call on outside sources, and other skills. [...] Starting from concrete practices (regulations, etc.) we move towards an awareness of the local area, with the support or the demands of the stakeholders. [...] It's not just training but technical and financial support, with booster sessions on best practices. This enables an assessment of projects."

The cooperatives are now taking practical steps to implement CSR, and want to convince their members of the necessity of moving in that direction. Once they become aware of the issue, the managers of the cooperatives grasp the need to take CSR into account. Their first concrete actions are aimed at recruiting persons with specific skills, to be responsible for establishing a development plan.

"I was hired to implement the CSR approach for our members. [...] There is still a lot of resistance to change. The managers are strongly focused on their activities. [...] It's an approach which is going to develop over the long term. For the managers, their involvement is likely to take some time. We also carried out a carbon balance for our activities. [...] We made use of an outside company, an audit company, to establish the tools. Our members are producers and we lacked information to give them about resources for implementing it."

4. Discussion

We have attempted to understand the role played by agricultural-sector cooperatives in the implementation of a CSR approach. And to what extent the certification process lays the ground for CSR. We briefly present here the contributions of our research and the related research propositions, before presenting our conclusions.

4.1 Contributions of the Research - Role of the Cooperative in Promoting the CSR Approach

We have attempted to understand the role played by agricultural-sector cooperatives in the implementation of a CSR approach. And to what extent the certification process lays the ground for CSR.

The cooperatives are in fact stakeholders in the organizations in the system and have been the subject of studies on their performance and the spreading of innovation. These studies have shown that organizational and technical changes in the cooperatives mainly depend on their ability to develop appropriate learning processes and an effective network (Chiffolleau et al., 2007). But where a project does not directly concern the cooperative, but is positioned more as a mechanism that the public authorities can employ to advance major projects, research is lacking. More specifically, to what extent can a cooperative respond to the difficulties of accessing information (want of time, for example) that are encountered by the managers of VSEs and SMEs?

The study shows that cooperatives play an important role, even though it is imperfectly formalized, in the process intended to lead VSEs and SMEs in the agricultural sector towards a CSR approach. This is due to various factors, some of which have been identified by the research carried out on CSR and sustainable development. Others have been highlighted by this reconnaissance study and primarily relate to the specific nature of the agricultural activity sector.

The agricultural sector faces a twofold difficulty. The first is connected to the scale of the competition which firms generally encounter, whatever the sector. The second relates to the nature of the activity itself, which has a negative impact on the environment.

Because of the small size of agricultural operations and the paucity of their resources and skills, cooperatives have naturally become involved in understanding the CSR concept and in its application. The cooperatives then incorporated CSR into the extension of their existing environmental practices. The stages of this incorporation include a first phase of appropriating the concept and its implications for the operations. Then training, hiring,

and the use of outside experts, making it possible to formulate a plan of action for the members. This should lead to a strengthening of current best practices, and then to preparing for the regulations, especially those of the Grenelle Environment Round Table. These actions can then be conducted in parallel with a steady progress towards CSR. They will enable the agricultural firms to get ready and to organize collective actions, orchestrated by the cooperatives.

These observations have enabled us to formulate the following research proposition:

Proposition 1: In the agricultural sector, cooperatives play an important role in the implementation of a CSR approach by their members.

The implementation of a CSR approach, in stages over the 2011-2013 period, is mandatory for major companies (500 to 5000 employees). Companies in the agricultural sector are therefore not affected by these provisions. Nevertheless, the nature of their activities obliges them to get ready for the regulations, and to suggest solutions, in particular for the environment and for sustainable development. Moreover, CSR involves firms in a global and societal initiative, and may thus constitute a particularly interesting force in a highly competitive environment. However, CSR in itself is poorly adapted to the particular nature of firms in the agricultural sector. Its overall approach does not adequately address the specific needs of the sector. Accordingly, sectoral certifications have developed to take into account the economic and environmental issues. They enable the companies to take the initiative and actively confront the pressures exercised by public institutions and generally by society. From this standpoint the certification processes are tools for supporting the progressive establishment of a CSR approach. They formalize the processes and consolidate the environmental approaches of agricultural firms.

Proposition 2: The certification process facilitates access to CSR for cooperatives and their members.

4.2 Conclusion, Limits, and Avenues for Future Research

In conducting this study we sought to understand the role that cooperatives might play in the implementation of a CSR approach in the agricultural sector. This broadly comprises very small-scale farming operations which have neither the resources, the skills, nor the time required for the management of Corporate Social Responsibility. Cooperatives, having understood the various provisions involved in CSR, will then provide information, training, and support for their members' projects, which more broadly concern issues arising from their activities (water management, pesticides, etc.).

It is almost improper to speak of CSR, because the subjects envisaged do not have so broad a range of action. They nevertheless include the objective of achieving them by undertaking progressive collective actions, in stages appropriate to the agricultural sector. These stages are sometimes distinguished by labels or certifications which describe the options and undertakings selected. In this way certifications enable operators, supported by their cooperative, to be actors in environmental issues and to be prepared for rather than to be subjected to them.

This study supplements the various research projects undertaken on CSR, especially for SMEs. It throws light on the role played by cooperatives in the learning process, which benefits agricultural companies, especially in the processes of certification.

To strengthen the external validity of this study, which is limited by its qualitative nature and the small sample of firms, it would be interesting to extend this work both by studying the cooperative/member dyad to obtain the experiences of the operators, widened to include other regions of France but also other kinds of cooperative. We might also envisage applying a hypothetico-deductive approach of quantitative type, on a much larger sample.

References

- Baillette, P. (2003). Le responsable de PME français et québécois membre d'une association de dirigeants: quelle utilité en matière décisionnelle. *Revue Internationale PME*, 16(1), 43-73.
- Berger-Douce, S. (2007). Le management environnemental des PME rentables: une étude exploratoire en France. *Revue Internationale PME*, 20(3/4), 165-190.
- Berger-Douce, S. (2008). Taille et engagement environnemental des PME familiales. *9ème Congrès international francophone en entrepreneuriat et PME*, Louvain-la-Neuve, octobre.
- Berger-Douce, S., & Current, J.-M. (2009). Développement durable et proximité(s) au service du développement local? (Chapitre 10). In K. Messeghem, M. Polge & L. Temri (Eds.), *Entrepreneur et dynamiques territoriales*. Editions EMS.

- Blombäck, A., & Wigren, C. (2009). Challenging the importance of size as determinant for CSR activities. *Management of Environmental Quality. An International Journal*, 20(3), 255-270. <http://dx.doi.org/10.1108/14777830910950658>
- Bonneveux, E., & Saulquin, J. Y. (2009). L'appropriation de la RSE par les dirigeants de PME. Le réseau comme vecteur d'apprentissage managérial. *Revue management et avenir*, 3(23), 170-186. <http://dx.doi.org/10.3917/mav.023.0170>
- Bos-Brouwers, H. E. J. (2010). Corporate Sustainability and Innovation in SMEs: Evidence of Themes and Activities in Practice. *Business Strategy and the Environment*, 19(7), 417-435. <http://dx.doi.org/10.1002/bse.652>.
- Cabagnols, A., & Le Bas, C. (2008). Les déterminants du comportement de Responsabilité sociale de l'entreprise. Une analyse économétrique à partir de nouvelles données d'enquête. *Économies et sociétés*, 10(1), 175-202.
- Capron, M. (2000). Vous avez dits «éthique»? *Revue du MAUSS*, 15, 271-277.
- Capron, M., & Quairel-Lanoizelée, F. (2007). La responsabilité sociale d'entreprise. Paris: La Découverte - Repères n° 477.
- Chiffolleau, Y., Dreyfus, F., Stofer, R., & Touzard, J.-M. (2007). Networks, Innovation and Performance (Chapter 3). In K. Karantininis & J. Nilsson (Eds.), *Vertical Markets and Cooperative Hierarchies: The Role of Cooperatives in the agri-food industry* (pp. 35-59). Dordrecht, The Netherlands: Springer.
- Cook, M. L. (1994). The Role of Management Behaviour in Agricultural Cooperatives. *Journal of Agricultural Cooperation*, 42-58.
- Drapéri, J.-F. (2005). *L'économie sociale: Utopies, pratiques, principes*. Montreuil (Seine-Saint-Denis): Presses de l'économie sociale.
- Drapéri, J.-F., & Touzard, J.-M. (2003). *Coopératives, territoires et mondialisation*. Paris: L'Harmattan.
- Duval, G., & Nahapetian, N. (2005). Qu'est ce que la RSE? La responsabilité sociale des entreprises. *Alternatives Economiques*, Hors-Série, 20.
- Fray, A. M., & Soparnot, R. (2007). La RSE comme levier de changements organisationnels, une analyse des représentations, le cas du secteur social. *Gestion 2000*, 24(6), 163-178.
- Gadene, D. L., Kennedy, J., & McKeiver, C. (2008). An empirical study of environmental awareness and practices in SMEs. *Journal of Business Ethics*, 84(1), 45-63. <http://dx.doi.org/10.1007/s10551-008-9672-9>.
- Hammann, E.-M., Habisch, A., & Pechlaner, H. (2009). Values that create value: socially responsible business practices in SMEs – empirical evidence from German companies. *Business Ethics: A European Review*, 18(1), 37-51. <http://dx.doi.org/10.1111/j.1467-8608.2009.01547.x>
- Holloway, G., Nicholson, C., Delgado, C., Staal, S., & Ehui, S. (2000). Agroindustrialization through institutional innovation: Transaction costs, cooperatives and milk-market development in the east-African highlands. *Agricultural Economics*, 23(3), 279-288. [http://dx.doi.org/10.1016/S0169-5150\(00\)00089-X](http://dx.doi.org/10.1016/S0169-5150(00)00089-X)
- Jenkins, H. (2009). A «business opportunity» model of corporate social responsibility for small-and medium-sized enterprises. *Business Ethics: A European Review*, 18(1), 21-36. <http://dx.doi.org/10.1111/j.1467-8608.2009.01546.x>
- Julien, P.-A. (1996). Entrepreneuriat, développement du territoire et appropriation de l'information. *Revue internationale PME*, 9(3-4), 149-517.
- Karantininis, K., & Nilsson, J. (2007). *Vertical Markets and Cooperative Hierarchies: The Role of Cooperatives in the agri-food industry*. Dordrecht, The Netherlands: Springer.
- L'Ecuyer, R. (1987). L'analyse de contenu: notion et étapes. In J. P. Deslauriers (Ed.), *Les méthodes de la recherche qualitative*. Québec: Presses de l'Université du Québec.
- Labelle, F., & Saint-Pierre, J. (2010). Les déterminants institutionnels, organisationnels et individuels de la sensibilité des PME au sujet du développement durable. 10ème CIFPME, Bordeaux 4.
- Mackey, A., Mackey, T., & Barney, J. (2007). Corporate Social Responsibility and Firm Performance: Investor Preferences and Corporate Strategies. *Academy of Management Review*, 32(3), 817-835. <http://dx.doi.org/10.5465%2FAMR.2007.25275676>

- Monti, D. J. JR., Ryan, A. D., Brush, C., & Gannon, A. (2007). Civic capitalism entrepreneurs, their ventures and communities. *Journal of Developmental Entrepreneurship*, 12(3), 353-375. <http://dx.doi.org/10.1142/S1084946707000721>
- Moore, S. B., & Manring, S. L. (2009). Strategy development in small and medium sized enterprises for sustainability and increased value creation. *Journal of Cleaner Production*, 17(2), 276-282. <http://dx.doi.org/10.1016/j.jclepro.2008.06.004>
- Nielsen, A. E., & Thomsen, C. H. (2009). Investigating CSR communication in SMEs: a case study among Danish middle managers. *Business Ethics: A European Review*, 18(1), 83-93. <http://dx.doi.org/10.1111/j.1467-8608.2009.01550.x>
- Ortmann, G. F., & King, R. P. (2007). Agricultural cooperatives I: History, theory and problems. *Agrekon*, 46(1), 40-68. <http://purl.umn.edu/10129>.
- Paradas, A. (2006). *Perception du développement durable par des dirigeants de petites entreprises: résultats d'enquêtes*. 8ème CIFPME. Haute école de gestion Fribourg, Octobre.
- Paradas, A. (2007). Le dirigeant comme levier de la RSE enTPE: Approche exploratoire basée sur l'utilisation de récits et d'une carte cognitive. *Revue internationale PME*, 20(3-4), 43-67.
- Polge, M., & Temri, L. (2009). La démarche innovante ancrées dans le développement durable sont-elles viables pour les entreprises artisanales? (Chapter 12). In K. Messeghem, M. Polge & L. Temri (Eds.), *Entrepreneur et dynamiques territoriales*. Editions EMS.
- Russo, A., & Tencati, A. (2009). Formal vs. informal CSR strategies: Evidence from Italian micro, small, medium-sized, and large firms. *Journal of Business Ethics*, 85(S2), 339-353. <http://dx.doi.org/10.1007/s10551-008-9736-x>
- Saulquin, J-Y., & Schier, G. (2007). Des perceptions managériales aux pratiques RS: une étude exploratoire. *Gestion 2000*, 24(6), 181-195.
- Schaper, M. (2002). Small Firms and Environmental Management: Predictors of Green Purchasing in Western Australian Pharmacies. *International Small Business Journal*, 20(3), 235-251. <http://dx.doi.org/10.1177/0266242602203001>
- Senge, P. (1992). *La cinquième discipline* (1st ed.). Paris.
- Spence, L. J. (2007). CSR and Small Business in a European Policy Context: The Five "C"s of CSR and Small Business Research Agenda 2007. *Business and Society Review*, 112(4), 533-552. <http://dx.doi.org/10.1111/j.1467-8594.2007.00308.x>
- Spence, M., Ben Boubaker, Gherib, J., & Ondoua, B. (2007). Développement durable des PME: une étude exploratoire des déterminants de leur engagement. *Revue internationale PME*, 20(3-4), 17-42.
- Tchankam, J.-P., & Estay, C. (2004). La pratique de la responsabilité sociale et ses implications dans l'entreprise. *Gestion 2000*, 21(4), 31-48.
- Vives, A. (2006). Social and Environmental Responsibility in Small and Medium Enterprises in Latin America. *The Journal of Corporate Citizenship*, 21, 39-50.
- Vogel, D. (2005). *The market for virtue. The potential and limits of corporate responsibility*. Washington: Brookings Institution Press.
- Worthington, I., Ram, M., & Jones, T. (2006). Exploring corporate social responsibility in the U.K. Asian small business community. *Journal of Business Ethics*, 67(2), 201-217. <http://dx.doi.org/10.1007/s10551-006-9024-6>
- Yin, R. (2003). *Applications of Case Study Research, Applied Social Research Series* (2nd ed.). Sage Publications.

Notes

Note 1. <http://www.ica.coop/al-ica/> (2003).

Note 2. 3rd CSR Meeting in Angers (France), organized by the CCI in June 2011.

Note 3. the Environmental Program for Horticulture.

Note 4. <http://www.aei-asso.org>.