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Strategies Worker-Owned Cooperatives Use to Remain Profitable During Economic Downturns

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Walden University

College of Management and Technology

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Termaine Davis

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Walden University
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Abstract

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Downturns

by

Termaine Davis

MS, Columbia Southern University, 2016

BS, Columbia Southern University, 2013

Doctoral Study Submitted in Partial Fulfillment
of the Requirements for the Degree of
Doctor of Business Administration

Walden University

March 2021

Abstract

New managers of worker-owned cooperatives who fail to adapt to changing conditions can threaten the organization's viability. Some new managers of worker-owned cooperatives may lack the strategies they need to maintain consistent employment levels during economic downturns. Grounded in the expected utility theory, the purpose of this qualitative multiple case study was to explore the strategies used by managers of worker-owned cooperatives to maintain consistent employment levels during sustained periods of low revenue. Participants comprised seven managers of worker-owned cooperatives with a minimum of 5 years' experience in the Midwest of the United States managing cooperatives during sustained periods of low revenue. Data were collected from semistructured interviews, journaling notes, and business documents from participants. Thematic analysis identified three key themes: two-way communication, adjustment of employee compensation and hours, and sharing member duties. A recommendation for action is that managers implement an open and honest communication strategy regarding cooperative management without bias. Implications for positive social change include the potential of assisting economic stability and job creation for communities across the United States.

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Dedication

I dedicate this doctoral study to my wife, Jasmine Davis, the woman who taught me how to love, walked alongside me in all my ventures, supported me, motivated me, and tolerated me throughout my failures and successes across the globe without complaints. I could not have attempted this daunting task without you. To my only child, Prince Aiden Davis, thank you for the laughs and your understanding, patience, and support during my journey.

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Section 1: Foundation of the Study

Worker-owned cooperatives are critical components for developing communities, empowering individuals, and building wealth. Typically viewed as a source to assist in organizing economic activity, worker-owned cooperatives share profits among worker-owners and maintain the objective of liberating members from conventional managerial authority (Audebrand, 2017). Cooperative members who have control over employment and most of the rights to business returns signify the democracy of worker-owned cooperatives (Puusa et al., 2016). The findings from this study may help improve the chances for managers of worker-owned cooperatives to identify and implement efficient strategies for maintaining consistent employment levels during sustained periods of low revenue.

Background of the Problem

In the United States, worker-owned cooperatives have become an emerging source of opportunity for many groups of communities. Worker-owned cooperatives in the United States generate nearly 650 billion dollars in annual revenue (Batt, 2018; National Cooperative Business Association Cooperative League of the United States [NCBA CLUSA]; NCBA CLUSA, 2017). Also, cooperatives employ two million people in the private workforce (Batt, 2018; NCBA CLUSA, 2017). Furthermore, cooperatives have accounted for over 75 billion dollars in wages in 2016 (Ji, 2016). Worker-owned cooperatives are more ethnically and gender diverse than profit-seeking businesses (Cooperation Texas, 2015; Ji, 2016). Worker-owned cooperative failures occur for many reasons, but researchers have suggested that inexperienced managers are one of the top

reasons and that a direct correlation exists between experience and organizational performance (Calderón et al., 2017). Experienced managers of worker-owned cooperatives who understand employee-retainment strategies could help their employee-owners retain employment during sustained periods of low revenue (Calderón et al., 2017). The results of this study could enhance business practices by presenting new managers of worker-owned cooperatives with useful information they can use to maintain consistent employment levels during sustained periods of low revenue.

Problem Statement

Managers of worker-owned cooperative businesses often refuse to lay off workers during sustained periods of low revenue (Kennelly & Odekon, 2016). Managers of worker-owned cooperatives retain 45% more employees than traditional firms during sustained periods of low revenue (Kurtulus & Kruse, 2017). The general business problem is that inexperienced managers of worker-owned cooperatives face a significant risk of dissolution when seeking to retain workers during sustained periods of low revenue (Kennelly & Odekon, 2016). The specific business problem is that some inexperienced managers of worker-owned cooperatives lack strategies to maintain consistent employment levels during sustained periods of low revenue.

Purpose Statement

The purpose of this qualitative multiple case study was to explore strategies that experienced managers of worker-owned cooperatives use to maintain consistent employment levels during sustained periods of low revenue. The specific target population for this study consisted of seven managers from successful worker-owned

cooperatives in the Midwest, who have maintained consistent employment levels during sustained periods of low revenue. An implication for positive social change is the potential to increase worker-owned cooperatives' economic sustainability and ability to maintain employment during sustained periods of low revenue. Further implications for positive social change include increasing worker-owner job security, which could lead to keeping community members employed, creating new jobs for community members, and reducing unemployment levels.

Nature of the Study

There are three research methodologies: qualitative, quantitative, and mixed-methods (Levitt et al., 2018; Yin, 2018). I used a qualitative research method for this study. The qualitative method was appropriate for this study because I sought to gain an in-depth understanding from managers of worker-owned cooperatives of their strategies for maintaining consistent employment levels during sustained periods of low revenue. Researchers use the quantitative method to either test hypotheses about variables' relationships or groups' differences to develop conclusions (Marshall & Rossman, 2016; Yin, 2018). Because my study did not rely on statistical models or variables and I was not examining relationships among data sets, the quantitative method was not appropriate for my study. Researchers use the mixed-methods approach to combine a mixture of both the quantitative and qualitative methodologies (Yin, 2018). A mixed-methods approach was not suitable for this study because, to address my study's purpose, I only needed to use the qualitative method.

I used a qualitative multiple case study design for this research. I used the multiple case study design to help me enhance and validate the results of the case study by using multiple cases. Using a multiple case study design can help a researcher support and enhance the results of a case study (Yin, 2018). Researchers use a single case study design when they are only studying one single case to understand a phenomenon (Yin, 2018). The single case study design was not the best fit for this study because a multiple case study would garner a wider span of data than a single case study. Researchers use a phenomenological design when they explore the meaning of participants' lived experiences regarding a certain event or a phenomenon (Hancock & Algozzine, 2016). Therefore, the phenomenological design did not align with the purpose of my study because I was not exploring the personal meanings of development and implementation strategies that leaders of worker-owned cooperatives use. An ethnographic design is for researchers to investigate social groups' cultures to analyze their beliefs, values, and attitudes, which form their behaviors and interactions (Hancock & Algozzine, 2016). An ethnographic design was not appropriate for this study because I did not investigate social groups' cultures to analyze their beliefs, values, or attitudes.

Research Question

What strategies do managers of worker-owned cooperatives use to maintain consistent employment levels during sustained periods of low revenue?

Interview Questions

1. What strategies do you use to maintain consistent employment levels during sustained periods of low revenue?

2. What circumstances did you identify in your cooperative that led you to determine when it was time to use a strategy?
3. What processes did you put in place that helped your cooperative implement your strategies to remain viable during previous sustained periods of low revenue?
4. Based on your experiences, how did your strategies and processes enable your organization to maintain normal employment levels while keeping your liabilities current?
5. What additional information or comments can you add for my understanding of your strategies for maintaining consistent employment levels during sustained periods of low revenue?

Conceptual Framework

The conceptual framework for this study was the expected utility theory (EUT). John von Neumann and Oskar Morgenstern developed EUT in 1944. Von Neumann and Morgenstern developed EUT as a tool to analyze decision making under risk (Schilirò, 2017; von Neumann & Morgenstern, 1944). Under EUT, decision makers choose between uncertain prospects through the comparison of expected utility values (Friedman & Savage, 1948).

Managers of worker-owned cooperative organizations have two options to remain viable during sustained periods of low revenue. These options consist of ensuring employee retention and increasing revenue or reducing costs. New worker-owned cooperatives may experience the risk of dissolution when managers attempt to maintain stable employment levels while reducing costs during sustained periods of low revenue.

EUT is a conceptual framework that can apply to the cooperative business model because addressing the uncertainty of business revenue during economic decline can force managers of cooperative businesses to consider alternate means for cutting costs (Ruhnka & Young, 1991). EUT could apply to my study because managers of cooperative businesses must make important decisions that weigh reducing labor costs against maintaining employment levels during sustained periods of low revenue.

Operational Definitions

Asset locks: A collective fund that is nondivisible and nonappropriable by individual members used to ensure the retained assets for the organization are not spent on private benefits (Navarra, 2016).

Concentrated ownership: When a group of owners controls a majority stake in an organization (O'Boyle et al., 2016).

Consumer cooperatives: Firms collectively owned by their customers (Fanasch & Frick, 2018).

Cooperatives: Organizations with innovative elements that allow owners to work within their communities with flexible schedules and contribute to family and community unity and community recognition (Vazquez, 2017).

Economic downturn: A business cycle contraction that results in a general slowdown in economic activity (Lucky & Minai, 2017).

Fiduciary duty: The duty of an individual or a firm in a position of trust to act in the interest of another party with the expertise and competence of a reasonable and judicious person (Grierson, 2018).

Rochdale principles: A set of value bond rules for the operation of cooperatives (Altman, 2017).

Assumptions, Limitations, and Delimitations

There are sets of assumptions, limitations, and delimitations in all studies. The purpose of these facets of a study is to enlighten readers on the factors that may influence the study results. This section includes the assumptions, limitations, and delimitations that are a part of my research.

Assumptions

Assumptions are phenomena over which researchers have no control (Yin, 2018) and are conceptual tools that should not take precedence over a researcher's beliefs (Marshall & Rossman, 2016). My first assumption was that the participants of this study would not possess any hidden motives that encouraged them to take part in this research. My next assumption was that the participants of this study would answer the interview questions truthfully and in full detail. My final assumption was that the participants would have a sincere interest in participating in the research.

Limitations

Limitations are constraints that go beyond the control of researchers and could impact the results of a study (Marshall & Rossman, 2016). Limitations are related to the reliability and validity of qualitative research as they could create bias and impact the overall efficacy of the study (Marshall & Rossman, 2016). One limitation of this study was that the research only targeted a small portion sample in the Midwest. The answers participants provided may not apply to all worker-owned cooperatives. The geographical

location of the study was a limitation as the data gathered from managers of worker-owned cooperatives in the Midwest could be different from the data from worker-owned cooperatives in other locations in the United States. Another limitation is that participants may have a personal bias when answering the interview questions.

Delimitations

Delimitations are the issues of a researcher's influence in regulating the scope and identifying the boundaries of the research (Yin, 2018). Further, delimitations are the characteristics that stem from the limitations in the scope of the study and are a result of the choices a researcher makes (Marshall & Rossman, 2016). The delimitations of this study included only interviewing managers of worker-owned cooperatives who have maintained employment levels during sustained periods of low revenue. Cooperatives, in general, may be able to garner valuable data that can help answer the research question. The other delimitation included participation in the study within the geographical area of the Midwest. Expanding the study further outside of the Midwest could have provided more data.

Significance of the Study

This study could be of value to the practice of business because I explored what strategies managers of worker-owned cooperatives use to maintain consistent employment levels during sustained periods of low revenue in the Midwest. The data from this study might educate new managers of worker-owned cooperatives in developing successful business strategies. Additionally, the findings from this study

could lead to a positive impact on social change in various communities in the Midwest by offering solutions that could increase job security.

Contribution to Business Practice

I explored strategies that could help new managers of worker-owned cooperatives maintain employment levels during sustained periods of low revenue. The study could be of value to the practice of business because I focused on strategies that new managers of worker-owned cooperatives can use to maintain employment levels during sustained periods of low revenue. The prevention of layoffs within a community can also maintain employment levels.

Implications for Social Change

Positive social change is grounded in the elimination of restrictions that prevent or hinder progress within a community (Haugh & Talwar, 2016). Implications for positive social change for cooperative business managers include providing support and strategies to stimulate and shape communities that are productive and beneficial for community members. Furthermore, the implications for social change can lead to creating new jobs for community members and decreasing unemployment levels during sustained periods of low revenue. Cooperative business managers could also engage in charitable ventures for the betterment of their local communities. Charitable ventures could include fundraising for new programs and activities for individuals and group members. These ventures are beneficial as they help encourage groups of people to work as teams and grow closer as a community.

A Review of the Professional and Academic Literature

The purpose of this qualitative study was to explore the strategies that managers of worker-owned cooperatives use to maintain consistent employment levels during sustained periods of low revenue in the Midwest. This literature review contains analyses from several academic sources pertinent to the purpose of the research. The selection of sources was critical to the validity of this study. The resources included a variety of scholarly, peer-reviewed journals, government websites, and books.

The organization of this review will begin with an expansion of the EUT conceptual framework, which is the framework chosen for the research. I also provide an overview of a selection of conceptual frameworks that support the EUT. Furthermore, I discuss areas and issues about managers of worker-owned cooperatives, strategies for managers of worker-owned cooperatives, worker layoffs during sustained periods of low revenue, and maintaining consistent employment levels during sustained periods of low revenue.

I accessed multiple databases through the Walden University Library. Through the Walden University Library, I gathered sources from the ABI/INFORM, Business Source Complete, and Academic Search Complete databases. I also accessed a variety of articles through Google Scholar. Some of the search terms used to gather the sources were *work-owned cooperatives*, *cooperative employee retention*, *cooperatives remaining viable*, *worker-owned firm risks*, *worker-owned firm layoffs*, *retaining employees*, *cooperatives*, *maintaining employment levels in cooperatives*, *worker-owned cooperative*

advantages and disadvantages, worker-owned cooperative pros and cons, and recessions for labor-managed firms.

The total number of references used for this study was 205. These references included 19 books, one government source, four dissertations, and 183 journal articles. Out of the 205 references, 183 (89%) of them are peer-reviewed, and 185 (90%) have publication dates ranging from 2016 to 2020. The literature review contains 95 sources. Out of the 95 sources, 89 (94%) are peer-reviewed articles, and 83 (87%) have publication dates ranging from 2016 to 2020.

Application to the Applied Business Problem

For this case study, I sought to explore the strategies that managers of worker-owned cooperatives use to maintain consistent employment levels during sustained periods of low revenue. The target population for this study comprised of seven managers of worker-owned cooperatives in the Midwest, who have maintained consistent employment levels during sustained periods of low revenue. To fully understand the business problem, a qualitative method alongside a multiple case study design was necessary to help obtain the findings for this research. Using the qualitative method allowed me to conduct semistructured, open-ended interviews with managers of worker-owned cooperatives to gain a thorough understanding of their experiences. I reviewed relevant literature for an in-depth exploration of worker-owned cooperatives and decision making from a business perspective. I ensured triangulation of the data through member-checking and examining business documents.

The findings from this study may assist new managers of worker-owned cooperatives in determining what strategies would be appropriate and effective for their firm in terms of maintaining employees during economic downturns rather than laying off employees. Should these managers select the most appropriate strategies to mitigate or end this issue, the managers could obtain the skills they need to improve their overall employee retention strategies. The findings from this study could also help to increase cooperative productivity further.

Expected Utility Theory

EUT is a normative decision-making theory and a psychological approach to decision making. The purpose of EUT is to help identify how people make decisions under uncertainty (Friedman & Savage, 1948). One assumption of EUT is that the decision maker has total authority over the results of their decisions (Groeneveld et al., 2017). Steele and Steffansson (2015) agreed with Groeneveld et al.'s (2017) assumption and detailed the ideology of EUT of decision makers' preexisting awareness of the consequences from the decisions they make; decision makers often made logical choices more often. EUT is especially significant concerning the choices of decision makers involving possible risks (Groeneveld et al., 2017; Moscati, 2016). EUT also stems from the assumption that decision makers are thinking with a rational, logical, and systematic mindset, which Steele and Steffansson asserted may not always be the case. Managers of worker-owned cooperatives typically make decisions under times of uncertainty. Their decisions must result in their cooperatives remaining viable during sustained periods of low revenue. Out of the two options of remaining viable, managers could choose between

ensuring employee retention and increasing revenue or reducing costs while still not entirely being aware of the outcomes of their decisions.

EUT Risks

Regarding new managers of worker-owned cooperatives, risk can be inevitable when seeking to maintain employees or reducing costs while trying to remain viable. Buchak's (2017) *risk function* represents the willingness to trade the possibility of something good for the risks of something negative. The risk function became the risk-weighted expected utility, which is somewhat of a subdevelopment of the expected utility (Steele & Stefansson, 2015). Savage (1954) and Steele and Stefansson (2015) further concurred that when deciding between two options with significant risks, the decision maker should ignore the states of the world where both options will show the same results. Additionally, Steele and Steffanson stated that regardless of the risks in situations of uncertainty, it is best to choose the options with the highest desirability and value. In all, the choice of the risks taken in decisions can help to determine beliefs and preferences under circumstances of uncertainty.

Probability Weighting

Probability weighting is one of the primary areas part of EUT. Linde and Vis (2017) referenced much of Kahneman and Tversky's (1979) works when discussing EUT and probability weighting. Probability weighting is one of the deviations from EUT and prospect theory and implies that people are overly sensitive to ensuring a for-certain outcome whether the probabilities are small or large (Gerber & Rohde, 2018; Kahneman & Tversky, 1979; Linde & Vis, 2017). Probability weighting further contributes to the

behavior of people avoiding risk involving gains but embracing risks involving losses, also known as the *reflection effect*, another element of EUT.

Reflection Effect

The reflection effect also stems from EUT and prospect theory. The reflection effect is the individuals' risk attitude being under the influence of outcomes framed as gains or losses (Kahneman & Tversky, 1979; Lind & Vis, 2017). Probabilities are typically underweighted, and the likelihood of a good outcome receives too little weight, in turn making the risk for gains not so appealing (de Castro et al., 2016; Linde & Vis, 2017). Bad outcome probabilities are underweighted as well, making the risk for gains look more appealing than not.

Supporting Theories

This section of the literature review will consist of a selection of additional theories that support the chosen theory for this study, EUT. The supporting alternative theories are general decision theory, resource-based view (RBV) theory, and contingency theory. Each of these supporting theories has many similarities to EUT. I did not select these supporting theories as the primary theory because they were missing crucial factors that were significant to the purpose of the study.

General Decision Theory

Decision making is an implied aspect of planning and problem solving. For worker-owned cooperatives, decision theory could be a foundation for understanding the complexity of the management and strategy aspects of the business. General decision theory is a traditional paradigm for making rational decisions under uncertainty and is

concerned with goal-directed behavior with the availability of options (Ortega, 2018; Savage, 1954). Furthermore, general decision theory involves analyzing individual behaviors when facing nonstrategic uncertainty of nature (Savage, 1954; Steel & Stefansson, 2015). Usually, decision makers must choose between options based on which one has the most high-valued impact (Elbert & Seikowsky, 2017). Such decisions are further determined by the beliefs and desires of a person while logically leading to satisfying the circumstance at hand. The need for general decision theory is necessary to expunge limitations, including the use of numerical techniques that oppose the actuality of flawed information, the use of probability measures, and the missing components from the reliability of real information relevant to decisions (Aliev et al., 2016). In all, decision theory could provide a foundation to comprehend the complexity of developing effective strategies maintaining consistent employment levels cooperative managers used during sustained periods of low revenue.

Resource-Based View Theory

A supporting theory, RBV theory, was of consideration for this study. RBV emphasizes the significance of firm resources and their capacity for influencing firm sustainability, growth, and success (Barney, 1991; Pee & Kankanhalli, 2016; Wernerfelt, 1984). Additionally, due to the necessity of resources for the formation and growth of new firms, RBV is a commonly accepted theory used in strategic management practices (Formentini & Taticchi, 2016). For growth and sustainability, management must assess resources available within their cooperative for the practical application of strategies to allow them to maintain consistent employment levels in their operations.

RBV Founding Influence: Penrose. RBV stemmed from previous works and had an extended history of theoretical development before it was officially named and defined. After the emergence of RBV in the 1980s, the theory had become a prominent exposition of constant, firm performance dissimilarities in strategic management (Barney, 1991; Kellermanns et al., 2016). A strong influence of the foundation of RBV theory derived from the seminal work of Penrose (1959). Penrose asserted that human resources are necessary for firm growth, which requires the recruitment and development of leading human resources (Penrose, 1959; Teece et al., 1997). Scholars of literature believed Penrose's work had many limitations in the identification of isolating mechanisms. To refute the claims of limitations previous scholarly works regarding Penrose's contributions, Teece et al. (1997) and Kor et al. (2016) argued that Penrose had a significant impact on identifying isolating mechanisms in a variety of areas. Kor et al. defined the areas that Penrose specified. In the form of a theory, Penrose combined the factors of effective management for firm resources, productive opportunities, and diversification strategy for the process of firm growth. The different uses of resources can lead managers of worker-owned cooperatives toward more effective and sustainable business practices.

RBV Founding Influence: Teece. Dynamic capabilities (DCs) are one of Teece et al.'s (1997) contributions to the RBV theory literature. DCs allow business leaders to develop, deploy, and protect the assets that support sustainable and robust business performance (Teece et al., 1997; Tikas & Akhilesh, 2017). Balashova and Gromova (2016) identified the DCs of firms as critical elements in strategic organizational renewal

and obtaining a competitive advantage. Helal's (2018) research identified three categories of DCs: dynamic integration, dynamic learning, and dynamic reconfiguration. Helal further contributed to Teece et al.'s work by exploring the role of DCs in the RBV theory. Helal applied RBV theory in their work to focus on the effect of DCs for the enhancement of firm performance, through the mediation of valuable, rare, inimitable, and nonsubstitutable resources (VRIN). RBV showed that obtaining VRIN resources can result in higher firm performance and lead to the enhanced development of DCs.

RBV Founding Influence: Wernerfelt. Although Penrose (1959) and Teece (1997) made significant contributions to the development of RBV theory, Wernerfelt (1984) coined the RBV theory. To detail his contribution to RBV theory, Wernerfelt formed a theory of competitive advantage based on the resources a firm gains access to for the implementation of product market strategies (Barney, 1991; Hitt et al., 2016). The objective of Wernerfelt's research was to investigate the benefit of analyzing firms based on their resources as well as to explore the economic tools for analyzing a firm's resource position. Moreover, Wernerfelt's work aligns with Barney's (1991) view that the RBV attributes of capabilities and resources are a pivotal forerunner to the development of firm strategies. Resources symbolize the endowment of a firm's strengths and weaknesses (Wernerfelt, 1984). Employees and funds, two of the primary resources that provide the basis of this study, are contributions to a worker-owned cooperative's strengths or weaknesses.

RBV Founding Influence: Barney. Barney (1991) made significant contributions to RBV theory by publishing the seminal works for RBV theory. Barney's

work stems from the works of previous literature from scholars such as Penrose (1959) and Wernerfelt (1984). Through his work, Barney detailed that the RBV of competitive advantage inspects the connection between a firm's characteristics as well as performance. With the use of RBV, firms can produce competitive advantage by obtaining or forming resources that are uncommon, valuable, almost irreplaceable, and difficult to emulate (Barney, 1991; Finch et al., 2016). Additionally, firms that have control over better strategic resources will have a higher chance of gaining a competitive advantage than firms that have limited access to strategic resources.

Contrasting Theories

While seeking to identify the most appropriate choice of framework for a phenomenon, researchers explore a wide variety of frameworks before they choose one for their study. The EUT was the choice for this study. The contrasting theories were not fit for this study due to missing elements and contradictions to the EUT framework. In the following section, I have highlighted the prospect theory, the sustainability development theory, and the path-goal theory of leadership to their purpose and their elements in contrast to that of the EUT.

Prospect Theory

The prospect theory is an alternative theory of the EUT. While prospect theory is another form of decision theory, it is a model used in decision making under the circumstances of uncertain outcomes. The prospect theory combines ideas from psychology, economics, and mathematics into the model of decision making (Lewandowski, 2017). Researchers typically use the prospect theory for quantitative

studies, which is the method Kahneman and Tversky (1979) used to build their research. The primary difference between prospect theory and EUT is loss aversion, which is a vital element of the prospect theory (Kahneman & Tversky, 1979). Wang et al. (2016) referenced Kahneman and Tversky's work when defining loss aversion as an occurrence that captures the psychological effects of losses compared to gains. Loss aversion captures the psychological impact of losses to those of gains (Wang et al., 2016). To contribute to Wang et al.'s definition of loss aversion, Barberis et al. (2016) defined the representation factor of the prospect theory, where the decision maker forms a mental representation of the risk along with the gains and losses of the risk. Ultimately, the prospect theory was not chosen for this study because gains and losses are not the primary focus of this research.

Sustainability Development Theory

The sustainability development theory is a contrasting conceptual framework that was not appropriate for the premise of this study. The sustainability development theory describes development that satisfies the needs of the current generation without compromising the ability to meet the needs of future generations (World Commission on Environment and Development [WCED]; WCED, 1987). An additional concept of Brundtland's sustainability development theory incorporates the concepts of sustainable business, sustainable development, and sustainable, transformative business (Painter-Morland et al., 2017; Rauter et al., 2017). While implementing sustainability models in any business is an essential factor of success, the sustainability development theory was not the conceptual framework choice because the purpose of this study is to explore the

strategies that managers of worker-owned cooperatives use to maintain consistent employment levels during sustained periods of low revenue.

Sustainable development means to implement business strategies for different reasons. Geissdoerfer et al.'s (2017) work included research on the Brundtland Commission (WCED, 1987), from which Geissdoerfer et al. identified sustainable development as development that meets the needs of the current generation without compromising the future generation's ability to meet their own needs. Furthermore, sustainable development is a type of economic growth and includes changes technologically and institutionally as well. Geissdoerfer et al. addressed the sustainability issues that severely impact society and the economy. As a measure to combat these issues, sustainable growth could become economically feasible once achieving the proper combination of environmentally effective methods. Sustainable development can overall improve citizen's quality of life and provide for the wellbeing of their community's economic, social, environmental, and cultural aspects for an extended time.

Worker-Owned Cooperatives

Worker-owned cooperatives are an alternative to traditional and hierarchical firms that empower worker-owners to make decisions and control everyday operations.

Worker-owned cooperatives are for-profit businesses that allow employees to garner wealth and build assets by having an ownership stake in the cooperative (Roberts, 2017).

Due to the ownership of stakes, employee training and information sharing within the cooperative are high-priority among cooperative members because they expect to partake and engage in the cooperative's existence, decision-making processes, as well as their

designated role in the cooperative (Fernández-Guadaño & López-Millán, 2018; Tortia, 2018). Moreover, worker-owned cooperative managers hold dual objectives, and they prioritize employment and income for each employee (Gillies, 2016; Puusa et al., 2016). Cooperative members also aim to create and sustain jobs for all other members to improve their quality of life, dignify human work, allow workers' democratic self-management, and to promote community effective local development (Audebrand, 2017; Wanjare, 2017). Members who support their cooperatives financially through investments and utilizing the services available to them assist in keeping the cooperative operations sustainable. Overall, according to Audebrand (2017) and their research on the International Cooperative Alliance (ICA; 2012), managers of worker-owned cooperatives must reach the target of satisfying everyday economic, social, and cultural needs and goals throughout the firm for the betterment of the cooperative. It is a part of these manager's obligation to help reach these goals because they are a part of firms that share mutual joint-ownership and mutual benefits.

Managers of worker-owned cooperatives seek to improve equality within the workplace among worker-owners and in contributions. Managers also seek to decrease organizational hierarchy (Hoffman, 2016; Puusa et al., 2016). According to Matthew (2017), there are multiple forms of cooperatives, including worker-owned cooperatives. In the United States, worker-owned cooperatives continue to grow, and there is an estimated amount of 350 worker-owned cooperatives that employ over 7,000 people with over 367 million dollars in revenue (Matthew, 2017). With the continued growth of

worker-owned cooperatives, they have become a significant part of reinforcing the development of communities and social capital throughout the United States.

Participation is a significant factor that helps power the drive of worker-owned cooperatives. Participation is a common feature in cooperatives as it is one of the elements that could lead to cooperative members focusing more on joint strategy development for trade unions and on issues that can result in mitigating and eliminating risk that affects the success, worker rights, and other related issues (Meyers & Vallas, 2016). Worker participation was a primary focus of Tedestedt et al.'s (2016) work. In their paper, Tedestedt et al. identified different forms of worker participation, but specifically for cooperatives, participation is more of an industrial democracy, which is much greater than participation itself. Overall group participation within worker-owned cooperatives is essential to successful co-operation (Puusa et al., 2016). Mutual and voluntary activity within cooperatives is one element used to build trust and commitment.

Employment stabilization generally attributes to the property and governance structure of worker-owned cooperatives. The governance structure of cooperatives is distinctive as it shows they are owned and controlled by their members. The governance structure also impacts the decision-making process (Hakelius & Hansson, 2016). Navarra's (2016) research shows that worker-owned cooperatives are a type of insurance against the chance that external shareholder's fiduciary duty to act in the best interest of the corporation does not negatively impact the best interest of the workers (through layoffs). Worker-owned cooperatives tend to provide a robust governance structure, which is a result of their positive effects on employee behaviors (Mannan, 2018). The

governance structure of worker-owned cooperatives is appropriate regarding organizing forms of work that are more independent on the high flexibility and collaboration among workers than dependence on the employer (Zingale et al., 2017). In all, the governance structure in worker-owned cooperatives provides healthy and productive results for cooperative operations.

Understanding the Importance of Worker-Owned Co-ops

The emergence of worker cooperatives has led to a wealth of opportunities that have become available to members of local communities. Although typically viewed as small, specialized, and undercapitalized firms by some, Pérotin (2016) argued these beliefs and provided contrasting views based on her research on worker-owned cooperatives. Worker-owned cooperatives are presently active in most industries, making them a substantial part of the economy than what many may perceive, but they still represent only a small part of the business sector in developed economies as few are formed (Dow, 2018; Pérotin, 2016). Even so, worker-owned cooperatives are highly productive and preserve jobs more effectively in recessions than traditional businesses, leading to more quality and sustainable jobs (Dubb, 2016; Pérotin, 2016). Therefore, the importance of worker-owned cooperatives also lies within their ability to assist in rebuilding struggling economies.

Positions within worker-owned cooperatives are valuable. These positions are valuable because employees have the responsibility for business decisions that impact employment risks (Pérotin, 2016). Tedestedt et al. (2016) also provided insight into the importance of worker-owned cooperatives. Members of cooperatives come together to

meet common goals for their work environment and well as their communities. To add, because members of worker-owned cooperatives play a substantial role in decision making, they also can become involved in forming a healthy and safe work environment for themselves and their peers (Tedestedt et al., 2016). Worker-owned cooperatives are an overall part of a collaborative and perceptible culture.

Maintaining Worker-Owned Cooperatives

Unlike traditionally managed firms, the management of worker-owned cooperatives is not hierarchical, presenting a unique problem when seeking evidence-based solutions to common issues. The management problems of worker-owned cooperatives are similar, but not identical, to traditionally managed firms (Kruse, 2016). Worker-owned cooperatives place the well-being of workers above profit and efficiency (Gillies, 2016; Puusa et al., 2016). Furthermore, workers possess the power to create rules that directly affect their well-being. In traditionally managed firms, workers possessing the power to create rules that directly affect their well-being would typically be under the definition of a conflict of interest and, therefore, avoided. Maintaining a worker-owned cooperative requires each worker to possess technical skill sets and leadership skill sets, along with distinctive personal skills as a plus (Audebrand, 2017), whereas, in traditionally managed firms, the trends towards highly specialized personnel are evident and continue to expand rapidly. Due to the shortages of management consultants working in the cooperative ecosystem, maintaining worker-owned cooperatives is highly dependent on the sharing of information between cooperatives.

Performance is also indispensable for maintaining worker-owned cooperatives. Williams (2016) identified the compound structure of performance, which consists of goal achievement, learning more, and maintaining the working group. Each of these elements are generally common interests between worker-owners. According to Kruse (2016), employee ownership can lead to the enhancement of company performance as forms a bond between employee performance and rewards. Blasi et al., (2018) stated that the incentives from profit sharing and stock ownership for worker-owners result in more effort, information sharing, cooperation, and innovation result in greater performance. Working together in cooperatives can lead to producing high-quality results.

High participation in cooperatives often leads to high performance. Worker-owned cooperatives, in general, with effective implementation practices, contribute to performance measures (Kruse, 2016). Choices made by members typically impact performance levels, and productivity further depends on worker personalities (Mikami, 2016). Additionally, the relationship between cooperative members and community members affects the individual aspirations, if any, by making them more influential on the performance of worker-owned cooperatives (Puusa et al., 2016). Kruse's (2016) findings showed that worker cooperatives are linked to high-performance levels, further leading to worker pay, employment stability, and firm survival. Additionally, Puusa et al. (2016) suggested that increasing cooperative awareness would be beneficial for performance, as well as finding stability between individuals and the group by focusing on individual and community needs. In all, the performance of workers is one of the driving forces of worker-owned cooperatives.

The Viability of Worker-Owned Cooperatives

The viability of worker-owned cooperatives remains to be a topic of debate. Cooperative history shows that there are cooperatives that have failed, but there are also many that have and continue to survive (Errasti et al., 2017; Kennelly & Odekon, 2016). Berry and Bell (2018) suggested that there is a high possibility of worker-owned cooperatives being a viable source for the health of the economy. For example, with the help of their research, Berry and Bell identified that worker-owned cooperatives in New York City seek cooperative support to cope with the struggles of poverty, low-wages, and unemployment within surrounding communities. The work experiences of worker-owned cooperatives must differ from that of conventional firms. For example, Puusa et al. (2016) explained that cooperatives must have viable ideas to strive and to maintain their competitive edge. Hoffman (2016) highlighted how emotionally taxing it can be as a worker-owner of a cooperative and the hesitation in believing that a cooperative can succeed with a flattened or nonexistent hierarchy. Based on Hoffman's research, scholars have long believed that worker-owned cooperatives cannot survive due to the lack of a hierarchical structure and not being able to meet the number of structural changes it needs. The purpose of Hoffman's study was to show how managers of worker-owned cooperatives seek to enhance equality in the workspace and minimize organizational hierarchy.

Employee Retention

The stability of any for-profit business is partially dependent on the organization's ability to maintain stable employment levels. Employee retention is the driving force of

company development and begins at the beginning of the recruitment process, according to Aguenza and Som (2018). Aside from employee retention being an essential factor in an organization's stability, employee retention is also essential to organizational growth and an increase in revenue (Singh et al., 2016). Worker-owned cooperatives are in a unique position to be highly competitive against traditionally managed firms because many employees working in worker-owned cooperatives are worker-owners.

Traditionally managed firms create stock option plans as an option for employee vesting purposes (Qu et al., 2018). Vesting plans are popular because studies have shown that vested employees remain with the company longer than nonvested employees (Kanne & Uhrig-Homburg, 2018). A clear path to ownership is typically present in worker-owned cooperatives; therefore, it is not uncommon that 100% of the employees are also owners. Due to the inherent managing style of worker-owned cooperatives, employee retention is at the forefront of everything and for which worker-owned cooperatives strive.

Many cooperatives have the goal to retain employees within their firms. Retaining employees is crucial for worker-owned cooperatives to save other resources, such as time and money (Guha & Chakrabarti, 2016). Lambert's (2017) research showed that several cooperatives form as a method of keeping the jobs of employees who are part of a firm that is about to close and seek to accomplish retaining as many jobs as possible for worker-owners. Worker-ownership is a standard tool used to aid employee retention (Geczy et al., 2016). The overall importance of employee retention is that managers of worker-owned cooperatives can ensure that their firms have the most efficient individuals

with the right skills to implement effective strategies (Aguenza & Som, 2018). In worker-owned cooperatives, employee retention is critical for the US economy.

Cooperative workers highly value employee stabilization. O'Boyle et al. (2016) stated that cooperative workers value employee stabilization because it will eventually lead to increased worker welfare, lower employee turnover, and an increase in productivity. Employment stability can depend on wages. Navarra (2016) theorized that wage fluctuation could be useful as a tool during difficult times. Wages in worker-owned cooperatives are highly flexible (Magne, 2017). Navarra broke down how wages can guarantee employee retention, or employee stabilization, in worker-owned cooperatives. Wage fluctuation plays a role in stabilization in most cases, although wage fluctuation decreases when reinvested profits (into asset locks) increase. Navarra's study showed that, in worker cooperatives, a significant number of shares continue to be reinvested into the cooperative, leading to an increase in the firm's asset locks. A worker's willingness to participate in reinvesting in their firm is based on their previous interactions with the firm over time, as well as feeling secure in their position within it (Navarra, 2016). Based on the findings of Navarra's study, employment stability can be achieved by fluctuating wages or by making cooperative members choose to earn lower wages. In turn, these actions allow the cooperative to gain more capital so they can work through economic downturns without decreasing employees or wages.

Advantages of Worker-Owned Cooperatives

Worker-owned cooperatives are an alternative to corporate ownership and governance structures. Worker-owned cooperatives tend to have higher levels of

productivity, which most often leads to an increase in motivation to participate in goal-setting, planning, and decision making, all factors which influence worker-owner work practices (Geczy et al., 2016). Also, worker-owners have great job security. Kruse's (2016) research showed that managers of worker-owned cooperatives lay off fewer workers during recessions as well as have high survival rates. Thus, leading to a decrease in the economy's unemployment rates. To add, because employees in worker-owned cooperatives can hold at minimum 51% of shares and 65% of voting rights, employees in worker-owned cooperatives have the advantage of the right to vote under the principle of one man equals one vote. Hentschel et al. (2018) stated that the ability to vote under this principle allows employees to benefit from their decision-making power. Having such an ability will enable worker-owners to decide on important business strategies and the opportunity to nominate their business leaders.

The advantages of worker-owned cooperatives impact many. For example, because worker-owned cooperatives are valuable assets to communities all over the globe, small business owners benefit greatly from worker-owned cooperatives after their retirement (Audebrand, 2017). Audebrand's (2017) research further showed that the flexibility of worker-owned cooperatives allows for the opportunity of greater success in areas that include low labor mobility, extensive market failures, oligopoly markets, and labor-intensive industries. Puusa et al.'s (2016) study on worker-owned cooperatives showed that members enjoyed the flexibility and being able to work during times that fit their schedules. The motivation for cooperative members includes everyone working with one another to achieve a common goal. Puusa et al.'s findings showed that cooperative

members gain a sense of responsibility and empowerment, as well as more confidence within themselves when they are with a group of others who are working toward a common goal. Puusa et al. emphasized that sharing the mental entrepreneurial pressure with those around them with the same business risks was important. Puusa et al. further defined these feelings as the cooperative spirit. The cooperative spirit is the strength that may lead to impacting business factors, which consists of the size, development, and stability of cooperatives (Forney & Häberli, 2017). The feeling of solidarity among members could overall result in meeting shared objectives.

The communities and institutional environments surrounding worker-owned cooperatives reap the benefits from their societal efforts. Kennelly and Odekon (2016) looked more in-depth into some of these advantages of worker-owned cooperatives as well. Cooperatives are efficient and productive vehicles for the communities around them. Not only do worker-owned cooperatives benefit their surrounding communities, but they also benefit the worker-owners (Kennelly & Odeken, 2016). One way that worker-owners benefit from their positions in cooperatives is that the managers of worker-owned cooperatives promote community and class solidarity through social movement strategies. Managers of worker-owned cooperatives also provide opportunities to worker-owners to contribute to the engagement of economic democracy. Lastly, worker-owned cooperatives are efficient and productive (Kennelly & Odeken, 2016). Participation in worker-owned cooperatives stems mostly from motivation, which impacts productivity.

Disadvantages of Worker-Owned Cooperatives

In terms of economic survival, worker-owned cooperatives have a slight disadvantage. Economy wise, worker-owned cooperatives can fail in a manner that would position them at a level of a nonemployee-owned firm or a traditional firm. Kruse (2016) highlighted that worker-owners have few layoffs during periods of sustained periods of low revenue and a decrease in productivity, which is possibly caused by new training of employees or the investment of activities that focus more on long-term productivity over short-term productivity. Bretos and Marcuello (2016) analyzed some of the disadvantages of worker-owned cooperatives, one of which includes a weak financial structure that could ensure ineffective results when making decisions regarding employment and investment. Bretos and Marcuello continued their discussion on the disadvantages of worker-owned cooperatives by focusing on cooperative size. Cooperative sizes are typically small, which can evolve into weak market positions. Further expanding on the disadvantages, Bretos and Marcuello's research also led them to findings that revealed difficulties in employing and retaining invaluable managers, which stem from the control of cooperative employees.

While democratic decision making may be an advantage of worker cooperatives, they can also be unbeneficial for different reasons. For one, the preferences and objectives of cooperative members are significant. Members spend valuable time and effort when considering the preferences of other members and attending mandatory meetings to have the ability to come to effective decisions (Bretos & Marcuello, 2016; Sobering, 2016). However, concerning the research of Bretos and Marcuello (2016), the

negative impact of democratic decision making in worker-owned cooperatives include higher costs and the slow pace of cooperatives making crucial decisions. The high costs and slow pace resulting from democratic decision making are just a couple of the inefficiencies of cooperatives. Puusa et al.'s (2016) case studies of worker-owned cooperatives showed unstable structures for monitoring business operations and job performance, which were the result of the lack of mutual planning. From Puusa et al.'s case study of a group of cooperatives, the possibility of a similar occurrence within other cooperatives is present.

The value of autonomy and self-control enables independent work environments as other inefficiencies within worker-owned cooperatives. Puusa et al. (2016) interpreted the data from their study participants, emphasizing their autonomy and self-control as being valuable. The inefficiencies are due to their participants expressing that an environment featuring a traditional manager-employee relationship would possibly be more beneficial towards efficiency. The authors also posit that the lack of supervision and requirements for qualifications can lead to repercussions that may jeopardize cooperative performance quality, ultimately leading to irresponsible work performance, decreasing profitability, and threatening the reputation of their surrounding communities. The identified inefficiencies are all valid concerns for managers of worker-owned cooperatives.

Worker-Owned Cooperatives Compared to Traditional Firms

While worker-owned cooperatives can perform equally as well as traditional firms, worker-owned cooperatives and traditional firms have unique functions that

differentiate them from one another. Traditional firms are run by business owners who typically must separate a group of managers to run the business and operate to earn profits for investors (Birchall, 2017). Worker-owned cooperatives are democratically operated and allow multiple employees to own a stake in the cooperative, leading them to garner wealth and build assets (Altman, 2016; Roberts, 2017). To further compare traditional firms and worker-owned cooperatives, Rhodes and Steers' (1981) showed in their research that worker-owners perceive that participating in decision making, pay equity, performance reward contingencies, and group work are more of the norm than in traditional firms.

The perceptions may lead to a higher commitment to the firm and lower levels of absenteeism, tardiness, and workplace accidents (Rhodes & Steers, 1981). The results of Rhodes and Steers' (1981) work showed that although members of worker-owned cooperatives develop a more profound commitment to their firm, they also have increased absenteeism and tardiness levels than members of traditional firms. Additionally, Audebrand's (2017) findings from previous research led to the conclusion that worker-owned cooperatives are typically identified as too business-oriented to be positioned solely into the nonprofit sector and too guided by social issues to be placed exclusively into the for-profit sector. Traditional firms are hierarchical in business structure and consist of the departmentalization of employees, which all follow a chain of command within the organization.

Business structure is another significant factor for the differences between worker-owned cooperatives and traditional firms. Bottenberg et al. (2017) explained that

corporate governance in traditional firms operates under the standard shareholder-oriented model, which helps to guide corporations by the principals of increasing the wealth of shareholders and ensuring executive compensation is a top priority. The shareholder-oriented model acknowledges the monitoring incentives of concentrated ownership and persuades institutional investors to participate in corporate governance (Aguilera & Crespi-Cladera, 2016). According to Adnan and Tandigalla's (2017) research, the focus of the shareholder-oriented model is on the principal-agent relationship between shareholders and management. Bailly et al. (2017) highlighted in their work that worker-owned cooperatives are a great alternative to such governance structures that diminish worker wages. Vieta et al. (2016) explained that worker-owned cooperatives involve high member participation in terms of making decisions and must adhere to the principles of the International Cooperative Alliance (ICA), which includes voluntarily accepting the responsibilities of the ICA membership.

Rochdale Principles

The Rochdale Society of Equitable Pioneers (RSEP) was an early consumer cooperative. The RSEP was found in a struggling economy in 1844 and had the objective of building connections between producers, consumers, housing providers, and educators as a way of helping to transform the politics of social evolution (Ayinagadda, 2019; RSEP, 1844). The formation of the RSEP is what set the standard for cooperatives and led to the development of the Rochdale principles, a set of principles for all cooperatives to follow. The Rochdale principles are a set of value bond rules for the operation of cooperatives (Altman, 2017; Omoni & Ngugi, 2018).

The Rochdale principles are:

1. Open and voluntary membership.
2. Democratic control (one person, one share, one vote).
3. Operate by the fair investment by members.
4. Remain free of intervention from governments or other outside authorities.
5. Provide education, training, and information for cooperative and community members.
6. Encourage cooperation among cooperative members.
7. Show concern for the community by protecting the environment contribute to sustainable community development. (Damanik & Simanjuntak, 2018; ICA, 1995; Williams, 2016)

The ICA initially endorsed the Rochdale principles in the 1930s as a way of forming a common ground and a legal framework among cooperatives that have originated from different ideological viewpoints. One purpose envisioned by the RSEP for the Rochdale principles were to form connections between producers, consumers, housing providers, and educators to build a politics of social information (Ayinagadda, 2019; Joannidès de Lautour & Cortese, 2016). Based on the local cultural or legal constraints, cooperatives may modify one or whichever amount of these principles they deem necessary (Williams, 2016).

The first principle, open and voluntary membership of cooperatives, allows all people to provide their services. This principle further allows all people to become more accepting of the responsibilities of cooperative membership regardless of race, gender,

sexual orientation, or religious orientation (ICA, 2019; Williams, 2016). The second principle, democratic control by members, is one of the characteristics that distinguishes a cooperative from other organizations (Tedestedt et al., 2016). Members are equal representatives and, therefore, have equal voting rights of the one person, one share, and one vote principle (ICA, 2019; Williams, 2016). The third principle, operate by the fair investment by the members, consists of cooperatives encouraging large loans with promissory notes for repayment of interest. Williams (2016) explained that loans and grants are useful for keeping membership fees affordable. Affordable membership fees are a way of preventing the limitations of resources for community members.

The fourth principle, remain free of intervention from governments or other outside authorities, is another distinguishing factor of cooperatives. Williams (2016) highlighted reducing the level of government intervention in cooperatives as one of the critical challenges as it can lead to difficulties within the United States and is often unable to be followed precisely. The ICA (1995) defined cooperatives as self-help organizations controlled by their members. To protect their autonomy, all organizations carefully develop legal structures and operational norms (ICA, 1995; Obika & Ikechukwu, 2019). The fifth principle, provide education, training, and information for cooperative and community members, is the principle of cooperatives providing education and training members of cooperatives to allow them to make practical contributions for greater development of the cooperative. Additionally, cooperatives ensure to inform the public about the advantages of cooperatives (ICA, 1995). The sixth principle, encourage cooperation among cooperative members, is important because

cooperatives link together as a network to spread information about cooperatives (Stocki, 2016). Further, cooperatives are most effective when they link together through local, national, regional, and international structures by joining a community association of cooperatives (ICA, 1995; Williams, 2016). Finally, the seventh principle, which is showing concern for the community by protecting the environment and contribute to sustainable community development. Cooperatives work to develop more sustainable environments for their communities through different forms of conservation (ICA, 1995; Williams, 2016). The Rochdale principles continue to guide cooperatives all over the world.

Worker-Owned Co-ops in the Recession

One issue that managers of worker-owned cooperatives have is to determine a way to retain their employees. A worker cooperative that retains jobs during a recession will be advantageous to the economy as it lowers unemployment, the employees as it has spared jobs, and the firm can also benefit as it was able to retain employees who are already trained and have the skills they need (Teuton, 2018). During periods of low revenue or a recession are two of the toughest times for managers who wish to retain employees. The National Center for Employee Ownership reported that workers of cooperatives have lesser chances of being laid off. High productivity levels may be a result of the lower changes in layoffs (Kurtulus & Kruse, 2017). Nevertheless, this fact still has not changed; layoffs during recessions are still a concern for managers of worker-owned cooperatives. Kurtulus and Kruse (2017) also found that employment stability leads to greater job security and firm survival, while layoffs can lead to the

development of negative externalities. Kontogeorgos et al. (2016) identified that some firms turn to options of taking strategic actions when responding to an economic crisis such as a recession. For example, when responding to the recession in 2011, which led to a financial market shortage, companies resorted to cutting their investments, wages and decreased their personnel (Kontogeorgos et al., 2016). The uncertainty in worker-owned cooperatives that stems from recessions can often cause restraints for the organizations as well as for the individuals involved.

Transition

In Section 1, I introduced the study by providing the foundation of the study and explained the background of the problem. The problem statement, the purpose statement, and the nature of the study detailed what the business problem is and its purpose of exploration for this study. This section also included the research question, the conceptual framework chosen for this study, operational definitions, as well as the assumptions, limitations, and delimitations that affect the study's results. Finally, Section 1 consisted of the significance of the study and a review of the professional and academic literature, which was a detailed review of the works of previous scholars and included insight on managers of worker-owned cooperatives maintaining consistent employment levels during sustained periods of low revenue.

Section 2 includes a restatement of the purpose statement, a description of the role of the researcher, participants, the adopted research method and research design for the study, population and sampling, and a discussion on the purpose and importance of ethical research. Section 2 also includes which data collection instruments were used in

this study, what the chosen data collection technique was, data organization techniques, and data analysis. Finally, Section 2 concludes with areas focused on reliability, validity, transition, and summary highlighting the section's main points. Section 3 of this research will include an introduction to the section, a presentation of the findings based on data from the participant interviews, the application to professional practice, a discussion on the implications for social change, recommendations for action, recommendations for further research, reflection, a discussion, and overview to conclude the research, references list, and the interview protocol used for the data collection process.

Section 2: The Project

Purpose Statement

The purpose of this qualitative multiple case study was to explore strategies that experienced managers of worker-owned cooperatives use to maintain consistent employment levels during sustained periods of low revenue. The specific target population for this study consisted of seven managers from successful worker-owned cooperatives in the Midwest, who have maintained consistent employment levels during sustained periods of low revenue. An implication for positive social change is the potential to increase worker-owned cooperatives' economic sustainability and ability to maintain employment during sustained periods of low revenue. Further implications for positive social change include increasing worker-owner job security, which could lead to keeping community members employed, creating new jobs for community members, and reducing unemployment levels.

Role of the Researcher

The role of the researcher is a crucial element in research (Fusch & Ness, 2015). While I have spent a significant amount of time researching the cooperative industry and the strategies for maintaining employment levels during sustained periods of low revenue, I had no previous relationships with the study participants. My role as the researcher for this qualitative study was to conduct semistructured interviews with open-ended questions with participants from my sample population. Researchers generally have the job of transcribing the data they obtain (Kiyimba & O'Reilly, 2016). Therefore,

I transcribed the data from my participant interviews. From the transcriptions, I analyzed participant answers on a deeper level to include in my findings.

The Belmont Report is used in research to protect the rights of participants and vulnerable populations (Friesen et al., 2017; Miracle, 2016). The three main elements of the Belmont Report are: (a) respect for persons; (b) beneficence; and (c) justice (Miracle, 2016). To ensure the confidentiality and integrity of the participants, it was my responsibility to follow the Belmont Report's protocol. Securing informed consent shows the value of the participants' privacy. Ways I obtained informed consent included replacing identifying information, such as names, with code names for each participant (e.g., CoopA, CoopB, CoopC, CoopD, etc.). Removing and replacing identifying information is known as deidentification, and the purpose of deidentification is to protect the data subjects (Vitak et al., 2016).

Bias in qualitative research is an influence that distorts the results of the research (Galdas, 2017). To mitigate bias and to avoid viewing data through a personal lens, I set aside my judgments, values, prior knowledge, and experiences to prevent influencing the study before conducting interviews. This process is known as *bracketing*, and its purpose is to minimize researcher bias (Wadams & Park, 2018). Interview protocols are useful for strengthening reliability and improving the data quality of the data gained from interviews (Castillo-Montoya, 2016). Therefore, I also developed an interview protocol for my research.

Participants

The chosen group of participants was important to help me gather the findings of this research. Researchers who use the qualitative method often use interviews to gather data from a set of individuals who possess predefined characteristics that align with the research question and to understand elements that impact participant decision making (Gerring, 2017; van den Berg & Struwig 2017). Researchers define these characteristics that help them gain information to answer the interview question (Hagaman & Wutich, 2017). For this research, the eligibility criteria for the selection of participants were managers of worker-owned cooperatives who had been managing cooperatives for at least 5 years. The managers must have also maintained consistent employment levels during sustained periods of low revenue. The geographic location for the cooperatives is the Midwest in the United States.

To gain access to qualified participants, I obtained a list of Midwest-based worker-owned cooperatives from the University of Wisconsin Center for Cooperatives. From this list, I selected the worker-owned cooperatives that aligned with the eligibility criteria. By defining the geographic area to the Midwest, I had the ability to narrow the options and choose an adequate sample size of seven for my study. I contacted potential participants by their listed phone numbers and email addresses.

To establish a working relationship with study participants, a researcher must establish trust by developing and maintaining a collaborative rapport (Silverman, 2017). To gain trust, I provided my email address and phone number to participants to ensure open communication. I also addressed participants' concerns or questions regarding the

study. Finally, I explained that research participation was voluntary, that participants' information was confidential, and that participants had the right to withdraw their participation at any time.

Research Method and Design

The choice of methodology for this study was the qualitative research method. The research design for this study was a multiple case study design. I used this qualitative multiple case study to explore the strategies that new managers of worker-owned cooperatives use to maintain consistent employment levels during sustained periods of low revenue in the Midwest. The method selected for this study came from the overarching research question and the chosen primary method of obtaining data.

Research Method

The research method a researcher chooses for a study depends on what they are studying and how they would like to collect data. In research, there are three types of research methods: qualitative, quantitative, and mixed methods (Levitt et al., 2018; Yin, 2018). The qualitative methodology is a mixture of methods and approaches a researcher uses to investigate and analyze the research topic to further understand the phenomena behind it (Swinton & Mowat, 2016). The qualitative method was chosen for this study because it was the most suitable for guiding me to answer the research question. Furthermore, I set my focus for this study on human experiences to gain general and specific knowledge regarding the research question, which helped guide me in developing significant results.

The quantitative method is another commonly used method. Researchers use the quantitative method to verify or challenge a hypothesis and rely on numerical data to develop conclusions regarding the phenomena (Marshall & Rossman, 2016). Researchers who conduct quantitative studies ask questions to examine the variables of the processes for completing actions, determining behaviors, and projecting the results of the behaviors with the use of numerical data (Park & Park, 2016; Yilmaz, 2018). Additionally, researchers who use the quantitative method tend to use closed-ended questions to get more generalized responses from participants (Yilmaz, 2018). I did not select the quantitative method for this study because it was not appropriate to gather and analyze the data necessary to answer this study's specific research question.

A mixed-methods approach is the use of both qualitative and quantitative methods (Yin, 2018). The mixture of qualitative and quantitative data can provide extensive results, leading to a more in-depth understanding in a manner a researcher cannot replicate with either method alone (Bernard, 2017). A mixed-methods approach was not appropriate for this study because the use of analytical data would not have helped me achieve the research objectives of studying the strategies used by managers of worker-owned cooperatives to maintain consistent employment levels during sustained periods of low revenue. Additionally, as a novice researcher, I do not possess the experience or skills necessary to conduct a mixed-methods study, which is a process that is extensive in both time and effort.

Research Design

Designs that may be part of a qualitative research method are the case study design, phenomenological design, and ethnographic design (Levitt et al., 2018; Yin, 2018). I used a multiple case study design for this research. Researchers use a multiple case study design to help support and enhance the results of their study (Yin, 2018). The case study design was useful for my research because it helped me obtain quality data to support and enhance my research results. Researchers use the phenomenological design to explore the meaning of people's lived experiences regarding a particular event or phenomenon (Hancock & Algozzine, 2016; Yin, 2018).

Marshall and Rossman (2016) stated that a phenomenological design often requires more than 20 cases. The purpose of a phenomenological design was not what I sought to accomplish within my study and therefore was not an appropriate choice of design. Researchers use an ethnographic design to investigate cultural and social groups to analyze their beliefs, values, and attitudes that form their behaviors and interactions (Hancock & Algozzine, 2016; Yin, 2018). A researcher who chooses an ethnography design will observe and participate but will not actively work to change the situation (Haradhan, 2018; Sharman, 2017). An ethnographic design was not appropriate for this study because I was not investigating cultural or social groups to analyze their beliefs, values, or attitudes.

Data saturation applies to various approaches of qualitative research (Hennink et al., 2017). A researcher who obtains data to the point that no new themes or information emerges has reached data saturation (Fusch & Ness, 2015). Also, data saturation in

qualitative research typically occurs during interviews or focus groups using a significant number of participants (Saunders et al., 2017). To ensure that I reached data saturation, I continued to collect data until the data became repetitive and there were no new patterns during the data coding process.

Population and Sampling

The general population of this study consisted of managers of worker-owned cooperatives who have used strategies to maintain consistent employment levels during sustained periods of low revenue. From this population, I was able to derive a sample. Sampling methods are the processes of selecting samples from part of a population to gather data and determine the characteristics of the entire population (Marshall & Rossman, 2016; Rahi, 2017). Purposive sampling is a sampling technique that researchers use to choose participants from a target group who possess the knowledge and background in the research (Apostolopoulos & Liargovas, 2016; Etikan et al., 2016; Onwuegbuzie & Collins, 2017). By using purposive sampling, a researcher can gain the opportunity to receive rich data and broad knowledge of the research phenomenon (Benoot et al., 2016). For this reason, purposive sampling was the sampling method I used for this qualitative study.

The number of research participants in qualitative research should be adequate to provide a researcher with in-depth and rich data for additional insights and deeper understandings (Saunders & Townsend, 2016). For this study, I interviewed a total of seven managers of worker-owned cooperatives. By choosing a sample of seven

participants, I gained enough rich and thick data to help me conclude the findings of my study.

I reached data saturation when there were no new themes to identify and there was repetition in the research data. Ensuring data saturation in qualitative research is essential for researchers because it positively impacts the validity of the research (Fusch & Ness, 2015). Therefore, to ensure data saturation, I member checked with participants. Member checking is a process used to validate a collection of data (Birt et al., 2016). For the member-checking process, I followed up with each participant to assess the validity of the data I collected.

I conducted interviews through phone calls with either Skype or Google Voice applications using open-ended semistructured interview questions at a date and time that was convenient for participants. Rosenthal (2016) stated it is possible to conduct in-depth interviews over the phone or through online communication applications such as Skype, Google Hangouts, or FaceTime. Telephone interviews and such apps are also a cost-effective and less time- and energy-consuming way to collect qualitative data than face-to-face interviews (Lie et al., 2017; Rosenthal, 2016). I conducted my interviews in a location that was quiet and free of distractions. Inclusion criteria are what define who a researcher can include in their study (Garg, 2016) and are the primary features of the target population a researcher will use to determine the answer to their research question (Patino & Ferreira, 2018). The inclusion criteria for this study were: (a) managers of worker-owned cooperatives; (b) located in the Midwest; (c) who have managed

cooperatives for at least 5 years; and (d) who have had successful experiences in maintaining consistent employment levels during sustained periods of low revenue.

Ethical Research

To prevent ethics violations and to mitigate risks, informed consent is pivotal. Researchers must obtain informed consent from their participants to help ensure their ethical rights before the start of the research process (Biros, 2018). Through informed consent, research participants seek to obtain participant authorization of, or the refusal to participate in the research process. A full consent process ensures confidentiality and identifies the potential vulnerabilities of the research process (Biros, 2018). I presented my research participants with an informed consent form, which included my business contact information, the purpose of the study, participant procedures, participant confidentiality information, the Walden IRB approval information (IRB approval number: 05-19-20-0466004), and interview questions.

I informed participants that they may withdraw from the study at any point throughout the research process without experiencing negative consequences. There were no incentives for the participants in my study. To ensure adequate ethical protection of the research participants, I followed the guidance of the Belmont Report. The Belmont Report is critical for ensuring respect for persons, beneficence, and justice in ethical research (Miracle, 2016). To protect the names and businesses of individuals participating in my study, I instead assigned participants with identifiers (CoopA, CoopB, CoopC, CoopD, CoopE, CoopF, and CoopG) in replacement of identifying information to keep their personal information confidential.

Once I completed my study, I stored the hard-copy data I collected to protect participant confidentiality in a number-lock safe for 5 years. For security, I stored electronic data in a password-protected computer, which will remain there for 5 years. After 5 years, I will destroy and delete all data for further security purposes.

Data Collection Instruments

The researcher is the data collection instrument in qualitative research (Fusch & Ness, 2015). Therefore, I was the data collection instrument of this study. As the data collection instrument, researchers must prepare themselves with an idea of the target population from which they wish to gather data, possible pilot testing, the use of audio assistance where necessary, and other forms of data collection instruments for gathering information (Padgett et al., 2017; Yin, 2016). To collect data from my research participants, I conducted semistructured interviews through Skype or Google Voice with open-ended questions. The interview questions I presented are a tool in qualitative research to help gain in-depth information about the research problem and overarching research question. The interview questions followed the interview protocol (see Appendix A) to ensure I met the ethical standards of qualitative research.

To enhance the reliability and validity of the data collection process, I used member checking. Member checking is a process that involves the researcher providing participants with the opportunity to assess the researcher's interpretation of the participant responses from the initial interview to ensure the accuracy of the interpretation (Marshall & Rossman, 2016; Thomas, 2017). Member checking is significant because it allows a researcher to validate and verify their interpretation of the

data they collected from the initial interview, as well as to gain clarity (Marshall & Rossman, 2016; Yin, 2018).

Data Collection Technique

Researchers can collect data using several techniques which will provide them with rich and in-depth knowledge that they can contribute to the research literature. Data collection is gathering information from participants to analyze for a study (Yin, 2018). Interviews, focus groups, observations, documents, and questionnaires are data techniques researchers use to collect data (Onnasch et al., 2016). I used open-ended, semistructured interviews as the primary data collection technique with five interview questions and member checking as the data collection techniques for this study. To ensure the triangulation of the research, I requested two sources of records from managers to ensure the records were in support of their statements and researcher journal. Reviewing documentation and journaling are methods of triangulation that case study researchers use to understand further the research phenomena (Fusch & Ness, 2017). The data were collected through a voice recording application to transcribe after the interviews.

Semistructured interviews are not only a versatile and flexible way of obtaining data, but they are also useful for gaining reciprocity between the researcher and participants (Kallio et al., 2016). Furthermore, participants can express their views and experiences during the interview process (Kallio et al., 2016). Other advantages of phone interviews, or interviews through other means of verbal communication such as Google Voice, is that it is a cost-effective method of gathering data and they provide researchers

the opportunity to learn new information regarding the research phenomena (O’Keeffe et al., 2016; Rosenthal, 2016). Adhabi and Anozie (2017) stated that researchers can collect a high amount of quality data as subjects are likely to understand the interview questions better and provide valuable responses. A disadvantage of semistructured interviews is the researcher’s role, which can contribute to the possible inclusion of researcher bias (Symon et al., 2016). Another disadvantage could consist of the researcher not being able to pick up on verbal cues from participants (Rosenthal, 2016).

Researchers can present data transcripts and interpretations to their research participants for further comment and validity of the original findings through the process of member checking (Varpio et al., 2017). I implemented member checking into my research by sending follow-up emails or phone calls with the participants. I provided copies of the interview summaries to review and ensure that my interpretations of their answers to the research questions were accurate reflections of their experiences.

Data Organization Technique

The data organization process is critical when collecting evidence for a case study (Yin, 2018). I stored data in two forms: manually and digitally. I used a journal as a reference and for reflection purposes throughout the research process. The purpose of journals is to record notes for additional information, observations, dates, and communication during interviews (Amankwaa, 2016). I used the journal to keep track of important details, including notes during the interview conversations. The journal also included a colored label system for ease of organization to separate notes and participant information. For the digital techniques, I used devices such as an audio recorder to record

interviews and a laptop on which I downloaded the interviews to transcribe. I further organized my data using a reliable software program, such as NVivo 12, to upload the transcriptions from the digital audio recordings to verify my findings. NVivo is a computer-assisted qualitative data analysis software program, which is useful for organizing, storing, and analyzing research data (Salehijam, 2018). All data will remain securely stored on file for five years after the initial interview to ensure confidentiality.

Data Analysis

Researchers use triangulation to compare, contrast, and to confirm a collection of information from various sources to determine the existence of a phenomenon (Joslin & Müller, 2016). Methodological triangulation involves a researcher using several external methods to study a phenomenon, including face-to-face interviews, observation, and business documents that support the findings of the case study (Ang et al., 2016; Fusch & Ness, 2015). Methodological triangulation was appropriate to use for this study because it included phone interviews as the primary source of data, journaling as a secondary source of data, and business documents as a third source to triangulate the data. Yin (2016) identified five steps in the data analysis process, which comprised of compiling the data, disassembling the data, reassembling the data, interpreting the data, and presenting the results of the data. During the data analysis of this study, I followed Yin's five-step process.

Compiling the data consisted of gathering and organizing the data to identify emerging themes, connecting information from different sources, and reviewing transcribed notes to keep the memory fresh about the interviews (Durodola et al., 2017;

Yin, 2018). Castleberry and Nolen (2018) stated that compiling may also involve transcribing from an interview or focus group to see the data easily. After concluding the interviews with participants, I transcribed all audio-recorded interviews. Disassembling the data involves separating the data and coding them, which allows the researcher to act as an interpreter of the data by identifying important themes and organizing them into different categories (Castleberry & Nolen, 2018). After I transcribed participant interviews, I disassembled and coded the data I gathered during the interviews while identifying notable themes. Reassembling the data involves mapping out each category and the researcher analyzing the restructured data (Castleberry & Nolen, 2018). I reassembled the data I coded in the disassembling stage. Reassembling the data allows the researcher to identify notable themes and to construct matrix hierarchies with the data (Castleberry & Nolen, 2018; Yin, 2018). Interpreting the data involves the researcher forming analytical conclusions from the presentation of data in the form of codes and themes (Castleberry & Nolen, 2018). I withdrew excerpts from the data and reviewed them to interpret the themes of experiences. Finally, I concluded the data analysis process by presenting the results from the findings. The conclusion is a detailed response to the research question or the purpose of the study (Castleberry & Nolen, 2018). The presentation of results consists of a summary of the data analysis process and the themes identified from the data.

To conclude the data, I used software such as Microsoft Excel to organize additional notes and participant information. I also used the NVivo 12 software, where I imported the transcribed data. Yin (2017) stated that researchers could utilize computer

programs to store, access, categorize, and code data. Tools within the NVivo software include coding, memoing, matrix queries, and conceptual mapping (Lynden et al., 2018). Salehijam (2018) stated that the NVivo software supports qualitative research and provides the use of coding, rich text capabilities, and multimedia functions, all of which are features of NVivo that are critical for managing qualitative data.

Reliability and Validity

Reliability

Qualitative research is where a researcher identifies the answers to the questions of how, where, when, who, and why (Arino et al., 2016). Reliability in qualitative research is the replicability of the processes and the results (Forero et al., 2018). Approaches to enhancing reliability in qualitative research include refutational analysis, constant data comparison, comprehensive data use, inclusive of the deviance case, and the use of tables (Simmons, 2016). Dependability in research is where the findings are consistent, and repetition in the findings that could occur in future research (Amankwaa, 2016; Hays et al., 2016). Consistency is crucial to ensure the reliability of research; to help ensure consistency and to enhance the reliability of my research, I used member checking. Researchers use member checking to increase the trustworthiness, and therefore, the reliability of the research (Birt et al., 2016).

Validity

Validity is an indicator of how sound research is and refers to the integrity and application of the methods in the study (Mohajan, 2017). The validity of research is how accurately the data represents the participant's experience related to the phenomenon

(Marshall & Rossman, 2016). To help enhance validity in qualitative research, methodological triangulation, as well as correlating people and space, are useful methods to use (Fusch & Ness, 2015). To ensure the validity of this research, I used an audio recorder and a voice recording app on my laptop to record participant interviews, which upon completion, I transcribed and interpreted after each interview. I followed with a member-checking procedure to ensure the interpretations of the participant's perspectives gained from the initial research is accurate.

Credibility

Credibility is the criteria for assessing the truth value or internal validity of qualitative research and that the findings accurately represent something about the participants' reality (Connelly, 2016; Lincoln & Guba, 2017). A researcher can ensure credibility through methods of reflexivity, triangulation, and a description of the interpretation process (Korstjens & Moser, 2018). Member checking, peer debriefing, an extended engagement in the field of research, continuous observation, negative case analysis, and analyzing interpretations against raw data can improve research credibility (Connelly, 2016; Zhang & Wildemuth, 2016). I ensured credibility in my study through member checking. Member checking is one of the most widely used methods to ensure credibility in research (Hadi & Closs, 2016). Member checking is the process where the researcher reassesses the findings and conclusions interpreted from the data originally obtained from the research participants along with them for validation.

Transferability

Transferability is the extent a researcher can apply their interpretations to another context while still preserving the meanings of the findings (Amankwaa, 2016; Connelly, 2016). Researchers have the duty of providing data sets and descriptions that are rich enough and allow other researchers to come up with their conclusions regarding the transferability of the findings to different contexts (Zhang & Wildemuth, 2016). The data within this study will help ensure the transferability of the findings through a thick description of the findings. To develop a thick description for richer findings, I developed a set of open-ended questions that will solicit data through answers from participants.

Confirmability

Confirmability is the extent to which the participants form the findings of a study and not by researcher bias, motivation, or interest (Amankwaa, 2016; Forero et al., 2018). Additionally, study confirmability means that the findings are consistent and can be repeated (Connelly, 2016). Furthermore, confirmability is where the research findings are linked back to participant data (Forero et al., 2018). To achieve confirmability in my study and to ensure that the research findings were linked back to participant data and not that of my assumptions, I used member checking.

Data Saturation

Failing to reach data saturation has a significant impact on research quality, depth, and validity (Fusch & Ness, 2015; Nelson, 2017). Data saturation overall functions as a highly important element in qualitative research (Nelson, 2017). Data saturation occurs when the data is repeated and obtaining new, additional information is no longer possible

(Fusch & Ness, 2015). Tran et al. (2017) also identified another indicator of data saturation, which is when a researchers' understanding of a concept no longer changes. To ensure that I reach data saturation in my study, I collected rich and thick data from participants through open-ended interview questions.

Transition and Summary

Section 2 began with a restatement of the study's purpose statement. I discussed the role of the researcher, where I further explained my role in this study, including my relationship with the research participants and my role regarding ethics. I identified the participants I chose for this research from whom I gathered my data and detailed the eligibility criteria for participation. I discussed the research method and design selected for this study, population and sampling, ethical research, and the data collection instruments, which specified the data collection process as the data collection instrument. Section 2 also consisted of sections on the data collection technique, data organization technique, data analysis, and reliability and validity.

Section 3 of this study will begin with an introduction and presentation of the findings. Section 3 will continue with the application to professional practice, implications for social change, and recommendations for action. Section 3 includes recommendations for further research, a section of reflection, and a conclusion.

Section 3: Application to Professional Practice and Implications for Change

Introduction

The purpose of this qualitative multiple case study was to explore strategies that experienced managers of worker-owned cooperatives use to maintain consistent employment levels during sustained periods of low revenue. EUT was the conceptual framework that guided this study. The data were collected through interviews with managers of worker-owned cooperatives, methodological triangulation including phone interviews as the primary source of data, journaling notes as a secondary source of data taken throughout the interview process, and business documentation from seven managers of worker-owned cooperatives. The findings revealed that managers of worker-owned cooperatives use several similar strategies to maintain employment levels during sustained periods of low revenue. The findings of this study confirmed the relationship of the conceptual framework for this study, EUT. Decision makers tend to make logical choices with a preceding awareness of the consequences that result from their decisions (Steele & Stefansson, 2015). However, according to Thoma (2019), the consequences may be uncertain at the time.

Presentation of the Findings

The research question for this study was: What strategies do managers of worker-owned cooperatives use to maintain consistent employment levels during sustained periods of low revenue? I conducted semistructured interviews with seven managers of worker-owned cooperatives who have successfully maintained consistent employment levels during sustained periods of low revenue. Six themes emerged from the findings:

(a) adjust employee compensation and hours; (b) access to external funding; (c) budgeting of expected revenue; (d) two-way communication; (e) shared ownership responsibilities (liabilities); and (f) shared member duties. For confidentiality, I provided codes for each participant: CoopA, CoopB, CoopC, CoopD, CoopE, CoopF, and CoopG. The themes that emerged from the data show a balance between financial methods, shared responsibilities, shared member duties, and clear two-way communication among everyone. Table 1 shows the themes referenced by participants during interviews. While organizing the presentation of the findings, I noted the alignment between the themes that emerged from the data and the Rochdale principles: (a) open and voluntary membership; (b) democratic control; (c) operating by the fair investment by members; (d) remaining free of intervention from governments or other outside authorities; (e) providing education, training, and information for cooperative and community members; (f) encouraging cooperation among cooperative members; and (g) showing concern for the community by protecting the environment contribute to sustainable community development (Damanik & Simanjuntak, 2018; ICA, 1995; Williams, 2016).

Table 1

Table Showing the Use of Strategies by Participants

	Adjust employee compensation & hours	Access to external funding	Budgeting of expected revenue	Two-way communication	Shared ownership responsibilities (liabilities)	Shared member duties
CoopA	x	x	x	x	x	x
CoopB		x	x	x	x	x
CoopC	x	x	x	x		
CoopD		x	x			x
CoopE	x		x	x	x	
CoopF	x		x	x		x
CoopG	x	x	x	x		x

Theme 1: Adjust Employee Compensation and Hours

The adjustment of employee/leadership compensation was one of the top methods the managers of worker-owned cooperatives I interviewed used as a strategy. For this theme, I included any mentions of reducing hours and lowering wages as adjustments to employee compensation. Fernández-Guadaño et al. (2020) stated that with cooperatives' significance, managers will often adjust wages and hours instead of terminating workers. For example, Teuton's (2018) research shows that Mondragon's central credit union uses the strategy of lowering wages within their cooperative to spare the jobs of worker-owners. Five out of the seven participants I interviewed explained ways they adjust payment or hours for employees as part of their strategy. CoopA stated, doing so "helps the company build up a cash reserve with which to draw upon during periods of decreased revenue, and it is also like budgeting or spreading out the budget from high periods of activity to cover the seasonal decreases." Additionally, CoopC stated:

When we feel like there's going to be lows, how we adapt is we basically try to find where we can have openings for extra money if we're super under budget, and then that is how we basically can find ways to pay our employees enough to keep them on. I will say we've had to make cuts before, but that usually just means that we will cut paychecks from our highest-paid employees to redistribute that to lower-paid employees.

CoopE added that they had no regular pay periods, but they wanted to ensure that employees receive pay when necessary. Additionally, CoopE stated, "We were paid 100% in patron dividends, none of us got an hourly wage." CoopF uses the strategy of cutting their profits over firing people. CoopF stated, "Whereas if you're an owner, you'd rather have a temporary decrease and then as soon as the revenues come back up, you can increase it again, which could just be in the form of work hours." CoopG stated:

I was paid a cut of each job. So, with that, it was all formulated such that we could not go into the red. We always had enough money on hand because it was kind of hardwired. So, I was never hourly. I was paid on a project basis, which meant, frankly, rather little pay for me, which is not much fun. But it worked; that kept the business going.

Correlation to the Conceptual Framework

The previous works in the literature review regarding the viability of cooperatives were to ensure employee retention and increase revenue or reduce costs while not being fully aware of the outcomes of their decisions. The adjustment to worker compensation and their hours correlates to von Neumann and Morgenstern's EUT. Steele and

Steffanson (2015) stated that managers of worker-owned cooperatives usually make decisions under times of uncertainty, in which their cooperatives must remain viable during sustained periods of low revenue. The adjustment to worker compensation and hours also aligns with risk aversion. Typically, workers in worker-owned cooperatives may tend to behave in a less risk-averse manner and are willing to accept their wages alternating (Albanese et al., 2015; Thoma, 2019). Steele and Steffanson explained that while EUT is under the assumption that decision makers are thinking with a rational, logical, and systematic mindset, this may not always be so. However, five out of the seven participants I interviewed explained their reasoning with rational and logical thinking to plan for unforeseen circumstances. The participants who use this strategy have also acknowledged the potential consequences of their decisions before they make them.

Correlation to the Literature

The findings from the first theme aligned with the literature. Navarra (2017) proposed that the fluctuation of wages could be useful during difficult times, and Magne (2017) emphasized the high flexibility of wages in worker-owned cooperatives. Further, Mannan (2018) stated that when managers of worker-owned cooperatives prioritize job stability, they are willing to initiate wage flexibility to ensure firm viability. Fluctuations in wages and hours in worker-owned cooperatives are a common aspect of strategic planning.

Theme 2: Access to External Funding

The findings for the second theme, access to external funding, showed that five out of the seven participants I interviewed received some form of funding toward their cooperative. In this theme, credit, loans, grants, and donations are all forms of external funding. CoopA, CoopB, CoopC, CoopD, and CoopG described their experiences with external funding. Teuton's (2018) research showed that the ability to obtain equity financing is significant for successful worker-owned cooperatives. CoopA stated, "Because we've developed such a robust system, have great credit and have available revolving lines of credit to us." CoopB explained that they have good access to capital and have built good relationships with lending partners and cooperative banks. During member checking after their interview, CoopB mentioned that one of their coworker-owners had the duty to secure more loans and grants during their most recent down period.

CoopC stated, "We also got [personal protection equipment] from the government, so that helped when we were closed because, for us, we had a quarantine where our business from itself was closed for about 2 months." CoopD added, "We cultivated, very early on, a small network of angels and backers, and they are very consistent in providing us with support." Later in the interview, CoopD also added that they received a grant from a local development council and solicited donations to help share with their facility.

CoopG detailed their external funding experience by stating:

We applied for three grants, and we got all three. Now it was not the federal one, Paycheck Protection Program and Economic Injury Disaster Loan. We didn't get the federal ones. We looked at them for a long time and ultimately decided that we're not going to be eligible for various reasons. However, we were eligible for some mobile grants, and we applied for three and got all three. And that's going to be just a little bit less than 10,000 dollars for us. And so that's really nice. For a small organization like ours, that's a pretty good chunk of change.

Correlation to the Conceptual Framework

New worker-owned cooperatives may face significant risk when maintaining consistent employment levels during sustained periods of low revenue. Thoma (2019) explained that everyday decisions can result in uncertain consequences. The managers of worker-owned cooperatives who took part in this study acted in a less risk-averse manner by making early preparations in terms of finances before times of uncertainty occurred.

Correlation to the Literature

The Rochdale principles include the third principle of operating by members' fair investment. Under the third principle, Williams (2016) detailed that loans and grants in cooperatives help keep membership fees affordable. Ensuring affordable membership fees also averts resource limitations for community members. The third Rochdale principle also aligns with Galor and Sofer's (2019) work, which confirms that managers of worker-owned cooperatives may obtain credit to finance the creation of fixed assets.

Theme 3: Budgeting of Expected Revenue

Budgeting in worker-owned cooperatives was the top theme for this study. All seven of the participants interviewed for this study used different types of budgeting as one of their strategies. For this theme, I included cutting costs within organizations, reducing overhead, and setting funds aside as forms of budgeting of expected revenue. Budgeting is a management control tool to aid the planning of annual operations (Masakala et al., 2017). In worker-owned cooperatives, participatory budgeting is common. Hall and McDonald (2019) described participatory budgeting as an innovation in participatory democracy. Participatory budgeting in cooperatives helps form egalitarian and democratic structures as members within a cooperative can assist in the budgeting process. Hall and McDonald also explained that participatory budgeting assists in the stimulation of new cooperatives. The participants of this study relied on using different budgeting strategies that members of their cooperatives agreed with.

CoopA identified the circumstances that led them to use their strategies:

For the seasonal decline, it was recognizing that although there might be a decline in revenue that the company was generating, it was better for the workers' life planning and budgeting to have a more normalized budget that would be on the one where like you can build up hours and draw up on them at a later time for your patronage compensation.

Additionally, to add to the subject of budgeting, CoopA further explained later in their interview that they also use an envelope method of budgeting:

To use the envelope method of budgeting, you do not necessarily need to be great with numbers and spreadsheets and stuff. You have an envelope that you use every week for groceries, and you're putting 150 dollars in that envelope on Sunday. You've got an envelope for rent, and you got an envelope for utilities, and you put your money into those things first. Then anything else is what you can spend on going to the movies or going out to eat something like that. So, we built up. This is where the lower compensation rate directly for workers comes in, or worker-owners come in, because then that helps the company build up a cash reserve with which to draw upon during periods of decreased revenue. And it's also like budgeting or spreading out the budget from high periods of activity to cover the seasonal decreases.

CoopB stated:

So right now, most of our employees are making a base wage of 15 dollars an hour. But then they make a commission on top of that, which varies based on how long they've been with us or how experienced they are. And so, with the commission, they're often making 30 to 40 dollars an hour.

But having the base wage means that even if they're seeing nobody at all, it's a way that the business can afford to pay them. But they're just not making more if you're not seeing a lot of people, so we kind of built some like safeguards into the pay structure so that there's always a minimum amount of guaranteed pay.

CoopC stated:

I think our main thing is we have been really closely budgeting and underbudgeting every year. When we feel like there's going to be lows and then how we adapt is we basically try to find where we can have openings for extra money if we're super under budget, and then that is how we basically can find ways to pay our employees enough to keep them on.

CoopC later stated:

One thing that we've also done is we've kind of tried to assess what our customer client bases need and what they don't need in terms of options, carrying, and purchasing. And by kind of going through with a fine-tooth comb in those areas, we've been able to save money, which means we've been able to put it back into our employees.

CoopD mentioned that they are built to assume low revenue and that not having to pay rent has also helped. Therefore, they focus on careful budgeting by internalizing as much of their work as possible and spending their funds when necessary. CoopD stated: "We're actually in a very good position to essentially be the last man standing, especially if there's another pullback or any other sort of economic problem coming on the heels of what has already happened." CoopD further added:

We've adopted selling advertising in our programs, which also we just sell it for the season so that we have a significant chunk of our capital upfront in the year, so we know that we will get through the year.

CoopE explained how they realized they were going towards a downward slope, and therefore, they eliminated unnecessary costs from the budget. CoopF cut costs from

their budget as well wherever they can, also leading to a cut in their liabilities. CoopG, similarly to CoopD, assumes low revenue all the time and that no rent or mortgage for a period was beneficial budget-wise: “We’ve only had an office for a year and a half. Before that, we were all working from home. We had no rent. It’s only in the last two years that we’ve had insurance.”

Correlation to the Conceptual Framework

Budgeting is a process that must be carefully considered by decision makers. Arianti (2020) stated that those making investment decisions may be under EUT. All participants of this study detailed different forms of budgeting methods that will help sustain them during sustained periods of low revenue while maintaining employment, which will also help benefit the cooperative and its members.

Correlation to the Literature

Budgeting of expected revenue in worker-owned cooperatives was not a previous mention in this study as it was not originally a part of my search options when researching literature. Therefore, the strategy of budgeting expected revenue is an extension of knowledge. Based on this study’s findings, to help determine a budget, managers of workers-owned cooperatives must forecast their expected revenue. Forecasting revenue is vital to prevent underfunding, excess funding, and ensuring an accurate projection will lead to developing better insights from the data for significant business improvements (Valluru, 2018). This study’s findings show that forecasting revenue can lead to better budgeting decisions in worker-owned cooperatives.

Theme 4: Two-Way Communication

Communication is vital for productivity and effectiveness in worker-owned cooperatives. Six out of the seven participants interviewed from this study explained the necessary communication and transparency strategies for their cooperatives and its members. For this theme, I included meetings, team calls, membership communication portals, respect for an individual's opinions or suggestions, and worker-owners' ability to call meetings as forms of communication. Audebrand's (2017) research showed that worker-owned cooperatives frequently had collective meetings and decision making among all. Esim and Katajamaki (2017) listed good governance characteristics of worker-owned cooperatives, including transparency, responsibility, accountability, participation, responsiveness to members, and respect for the rule of law. Participants who identified communication as one of their strategies did so while exhibiting many of these characteristics. CoopA stated:

Apart from just person to person communication, for staying abreast of when it's time to implement our strategies is our weekly checking calls where we have the team call for like an hour, hour and a half. And everybody can report back, "Hey, does anybody need assistance" or "Hey, is anybody capable of offering assistance?" "How are people's personal lives going, who can take a break?" And that is true both during the season, as well as the acute pandemic situation. So, we have the team calls.

Another form of transparency CoopA explained was their use of project management software. CoopA also stated:

We also have a wonderful project management software where every single worker has visibility and access to all clients, all projects for each client, all tasks for each project of each client and can leave notes to one another or indicate their own progress on the task and that's something that anyone can view at any time.

CoopB stated:

We had a lot of on staff meetings because we've found that it's just incredibly important to be really communicative. And normally, if you're really able to communicate and be transparent with your workers, they tend to be much more understanding about what's going on.

CoopC stated:

And so, all those people meet, and they discuss what they're carrying, why they're carrying it, all of those things. So, we kind of collectively look at what is being carried and what we want to expand with the pharmacy. And then those teams distribute information in between other teams that might work for when we're on the floor with retail or with our PR team with putting the word out about what we're carrying.

We just had continual, full self-discussions on different products and different ways that we could have a product base that sets us aside from other businesses that might look similar to us.

When it came to the processes used to implement their strategies, CoopE stated:

"I guess just getting everyone's agreement from the get-go. And, you know, we definitely had meetings. We were kind of like, okay, like, what do we think we could all do this a

period? It's a pretty, pretty frequent thing." CoopF stated: "It's knowing our books and knowing our orders, and everyone's aware of that. It's like information sharing, I guess that's the best way to say it, of sales and production with everybody." CoopF further added:

There are worker meetings. So, there are consistent meetings between all the workers in the mornings, or every week, or every few weeks or upon need. And when some people talk about, okay, we have this decrease, but as soon as it comes back, what do sales look like next week? So, they know they're part of the process, they know they're included. That's like that. And then information sharing is also the process of discussion on it.

CoopG stated:

The fact that we're a democratic workplace goes a really long way. Because having essentially no hierarchy in our organization means that everybody is kind of in the same boat. And that means that everybody has pretty much the same motivation. Everybody understands that we want to do well, both individually and collectively. And after some discussion, we eventually reach agreements on what that's gonna look like, how that's gonna take place?

CoopG also added:

We're all on the same page here. And we agree, more or less, what needs to be done and how. So, I consider that to be a big advantage. And if we need to make changes to how we do things, we talked that over, and we can do that, we have that flexibility, particularly as a small group.

We can have that discussion because talking through and think about the context and potential outcomes and work it out.

CoopG's statements regarding understanding and motivation with their members correlate to the literature review. As mentioned in the literature review, a mutual understanding and motivation between cooperative members who also share the same mental entrepreneurial pressure with the same business risks is called *the cooperative spirit* (Puusa et al., 2016)

Correlation to the Conceptual Framework

Being transparent and communicating is a critical factor for the managers I interviewed for this study. Bonavia and Brox-Ponce (2018) defined transparency as open flow and public access to information. For situations involving risks for decision makers, the decisions are also public. In this case, six of the managers of worker-owned cooperatives include cooperative members in decisions and keep them involved in the cooperative business through communication methods, such as phone calls, face-to-face meetings, and virtual meetings. Worker-owners also can initiate group calls and meetings regarding cooperative issues and business.

Correlation to the Literature

To make sound decisions regarding business issues, cooperative managers and members must remain open and transparent with one another. One way to remain open and transparent is through mandatory meetings. Bretos and Marcuello (2016) and Sobering (2016) explained that meetings in worker-owned cooperatives are vital because it enables managers and members to work together to make effective business decisions.

When workers can participate in the decision-making process and communicate about work-related issues, they better understand everyone's part and goals within the cooperative (Kaswan, 2019). Communication on both ends of management and workers is necessary for the democratic structure of worker-owned cooperatives.

Theme 5: Shared Ownership Responsibilities (Liabilities)

Shared ownership responsibilities was the next theme that emerged from this study's findings. Three out of the seven participants I interview explained the sharing of shared ownership responsibilities throughout their cooperatives. CoopA stated:

We have allowed people to build up their patronage hours during tax season, the rush times, and then draw upon that pool, later on, to sort of flatten the compensation rates and provide a more predictable month over month or week over week income level for the workers.

CoopB stated:

So, we treat our patronage more like a bonus that we calculate about every quarter. Rather than consistently paying ourselves some patronage because that's something that we always want to make sure that we're able to meet our wages and pay our workers and everything with that first.

CoopE stated, "We're obligated to give them minimum wage, that sometimes we weren't even giving ourselves. So, basically, the maintaining employment levels is really the fact that we were all equally liable for any debts the business had."

Correlation to the Conceptual Framework

After much examination, I did not find information that yielded a connection between this theme and the EUT.

Correlation to the Literature

The managers and cooperative members all typically have common goals. Therefore, the sharing of ownership responsibilities, including assets and liabilities is common in worker-owned cooperatives (Neary et al., 2017). Audebrand (2017) found that managers and members must meet the cooperative's economic, social, and cultural needs for more remarkable improvements.

Theme 6: Shared Member Duties

The final theme that emerged from the study's data were shared member duties among cooperative members. Five of the seven managers I interviewed identified this theme as one of their strategies. I included task and duty allocation and taking over the duties for another worker-owner.

CoopA stated:

Our tax return people were particularly swamped during this extended tax season. So, some of the people who were a little more focused on bookkeeping came in and began learning and doing what they could do on the tax returns in order to distribute the workload, so it was like an inter-department transfer.

Further, CoopA added later on:

... If other worker cooperatives keep focused upon the task allocation, we found that a lot of times, a lot of hierarchical companies will focus upon titles, roles, and

the rigidity of responsibilities, whereas when we are building out our projects for clients, and we can look at the tasks and we can see how many people have overlapping skill sets where they can pick it up, and we can load balance and make sure that nobody gets too swamped and nobody gets underutilized. That kind of budgeting of the workload helps with that.

CoopB stated:

Having multiple owners is a great resource for getting through difficult times. ... So many small businesses struggle because they're owned by only one or two people, so the burnout rates are high. By having multiple owners who can focus on different things, we were able to focus our energy on everything that's really important at the moment while also keeping operations running.

CoopD stated they keep everything internal by creating the work projects themselves among the cooperative to avoid involving a third party. CoopF stated that they "share around employment." By sharing around employment, this means that in the case of CoopF's cooperative during low periods of sustained revenue, they choose to have temporary decreases in hours. CoopF stated, "We will share the decrease in hours amongst us all. Try to take our vacations at that time, try to take time off during that time." CoopG works to balance the workload among cooperative members as fairly as possible. Further, CoopG added:

If I need to step away from my administration duties, other people will step in pretty quickly, that sort of thing, because we can do each other's jobs, because we understand each other's jobs. There isn't this separation that you'll find in a

traditional workplace. People even know the clients because they work with the clients. So, it's not a big deal with them to switch roles and then switch back.

CoopG's comment regarding the traditional workplace aligns with Rhodes and Steers' research, which is detailed in the literature review that worker-owners find that one of the norms in worker-owned cooperatives is group work, which is not common in traditional firms.

Correlation to the Conceptual Framework

Many of the managers interviewed in this study made decisions around risks. Sharing work responsibilities and hours, cutting hours, and allocating duties were the primary trends that participants listed in this theme. Although the EUT has limitations in providing clear answers on the best decision for decision makers (Aven, 2019), maximization of utility stems from common sense rational decision making (Puaschunder, 2020). The managers of this study made rational and mutual choices that worked for them and the members of their cooperatives.

Correlation to the Literature

In worker-owned cooperatives, it is common for members to cross-train to enable them to share member duties throughout the firm when necessary. Employee training is a top priority task in cooperatives (Tortia, 2018). Cross-training allows for the division and allocation of tasks and duties to occur more efficiently (Slade Shantz et al., 2020).

Applications to Professional Practice

I explored strategies that managers of worker-owned cooperatives use to maintain consistent employment levels during sustained periods of low revenue. Six themes

emerged from this study's findings. New managers of worker-owned cooperatives could find value from this study to develop new strategies to use within their cooperatives to remain viable during sustained periods of low revenue while also successfully sustaining employment levels. The purpose of this study was to help new managers of worker-owned cooperatives identify strategies they could use to manage their internal processes to better benefit their cooperative and their worker-owners during sustained periods of low revenue. The applicability of the study findings could be useful in possibly spotlighting potential issues that may negatively impact a cooperative during seasonal or unexpected downturns. Teuton (2018) stated that matters which are specific to worker-owned cooperatives teach members to act promptly and effectively when making cooperative decisions. This study's findings could help new managers of worker-owned cooperatives mitigate common issues that typically arise when seeking to maintain consistent employment levels during sustained periods of low revenue.

Many of the managers who took part in this study depend on their awareness and following patterns they would notice during certain times of the year, which would lead them to using their chosen strategies. New managers of worker-owned cooperatives can focus on gaining and improving their awareness to notice patterns that could harm their cooperatives. By focusing on their awareness in their cooperatives, new managers can identify the necessary actions they should take to implement effective strategies to maintain consistent employment levels during sustained periods of low revenue. It is important to note that the ability to implement their strategies are highly dependent upon a holistic adoption of the themes.

Implications for Social Change

The findings of this study could contribute to positive social change by stimulating the creation and maintenance of jobs in communities and helping to provide stability within the United States economy. The motive of cooperatives is to satisfy the needs of its members and communities while adhering to cooperatives' principles and values (Webb, 2017). Comparatively, Alvarez (2017) stated that the structure of worker-owned cooperatives leads to the expectation of quality job creation, payment of livable wages, offering benefits, offering opportunities for worker-owners to advance professionally, and further providing the opportunities for worker-owners to form assets and shares in the business profits. The findings from this study could further enhance the training and abilities of individuals in worker-owned cooperatives. The findings also suggest that managers of worker-owned cooperatives are trained for a multitude of roles within an organization. This training could potentially prepare workers for life as entrepreneurs.

Recommendations for Action

New managers and experienced managers of worker-owned cooperatives can benefit from the findings of this research. New managers of worker-owned cooperatives must heighten their awareness, focusing on potential seasonal and economic changes. It is necessary to identify when changes occur that can lead to a negative impact on their organization. Once managers can identify significant changes, they can design and implement the strategies that best suit the needs of their cooperative. Also, managers should implement a communication strategy that allows for positive and negative

feedback regarding the management of the cooperative without bias. Managers can achieve implementation with regularly scheduled meetings and emergency meetings that any manager can initiate, both virtual and in person.

Managers of worker-owned cooperatives should implement strategies that allow for rapid adjustment of salaries during sustained periods of low revenue (i.e., base salaries plus commission, base salaries plus profit sharing). I also recommended that managers of worker-owned cooperatives implement a cross-training program for all workers. Cross-training should include every aspect of day-to-day management and organizational decision making to allow the transference of duties to other worker-owners as necessary and provide a holistic understanding of the organization with specific emphasis on budgeting. Managers of worker-owned cooperatives should seek to build relationships with their communities and external financing bodies that play an active role in funding impact-focused business models.

Recommendations for Further Research

In the future, I recommend that qualitative researchers expand the geographical location for a broader set of data. There are a limited number of cooperatives in the chosen area of the Midwest; therefore, a national study on the research matter could be beneficial. Also, to assist in developing more cooperatives, it may be helpful to understand how and why worker-cooperatives were formed. Therefore, a qualitative, multiple case study to understand their strategies of formation could have a significant positive impact on the worker cooperative community. I also recommend a quantitative study that looks at the variables between the reduction of salaries in worker cooperatives

compared to the mass layoff model in traditional businesses during sustained periods of low revenue to identify which model is more feasible and profitable to the organization over its lifetime.

Reflections

The decision to research the strategies that managers of worker-owned cooperatives use to maintain consistent employment levels during sustained periods of low revenue emerged from operating a nonprofit that focused on building worker-owned cooperatives to address high unemployment levels in under-resourced communities. During my tenure as an executive director, I observed how mass layoffs could destroy black and brown communities during recessions. I also observed that many of the affected workers were interested in starting businesses but were financially incapable of funding their new business even after working for their previous organization for many years.

By conducting this research, I learned that worker cooperatives are in a unique position as an economic shield for its workers during sustained periods of low revenue. I also learned that it is not the worker cooperative model itself, but the specific strategies that successful worker cooperatives use to maintain employment levels during extended periods of low revenue. The data collection process allotted me the opportunity to conduct primary research and get first-hand accounts of the strategies used to maintain consistent employment levels during sustained periods of low revenue. Managers of worker-owned cooperatives use employee layoffs as an absolute last resort because the core of their business model is ownership and employment, not growth and profits.

I sought to avoid inserting personal biases and other preconceived ideas and values I had on the research topic as not to influence the results of my study. To prevent the unconscious inclusion of researcher bias, I followed the interview protocol (see Appendix A) during data collection. My experience of the doctoral study process has allowed me to properly conduct interviews with a developed set of semistructured and open-ended interview questions while remaining professional and accommodating. I have learned to ask engaging questions while fully concentrating on the responses provided during interviews without inserting my own opinions based on preconceived biases.

Participants seemed open to sharing management information with me because I am active in the cooperative community. One of the reasons why I chose to study worker-owned cooperatives was due to the Rochdale principles, which urges that cooperatives share information. My knowledge of the principles, which include encouraging cooperatives to share information, may have affected their decision to participate.

Conclusion

This qualitative multiple case study began with an explanation of the background of the problem within some worker-owned cooperatives. New managers of worker-owned cooperatives face risk when attempting to maintain employment levels during sustained periods of low revenue (Kennelly & Odekon, 2016). I conducted semistructured, open-ended interviews with a sample of seven managers of worker-owned cooperatives to gather data. To ensure ethical research, I issued informed consent forms to each participant before interviewing, explaining the purpose of the study and their confidentiality along with their participation. To ensure validation of the responses

provided by participants and to ensure that I reached data saturation, I used member checking. I knew that I reached data saturation once there were no new patterns to identify. Six themes were generated from the findings: (a) adjust employee compensation & hours; (b) access to external funding; (c) budgeting of expected revenue; (d) two-way communication; (e) shared ownership responsibilities (liabilities); and (f) shared member duties. For manual analysis, I used Yin's five-step process to dissect and establish the themes from the findings and used the NVivo 12 software to validate the findings of my manual analysis.

Most of the findings of the study, except for Theme 5: Shared ownership responsibilities, tie back to the literature and aligns with the EUT, the conceptual framework that formed the study. It seems like democratically controlled workplaces are uniquely designed to cope with external financial stresses, specifically recessions and other extended periods of low revenue. The mass adoption of worker-owned cooperatives is a viable solution to reducing unemployment during cyclical recessions.

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Appendix A: Interview Protocol

The research question for this study is: What strategies do managers of worker-owned cooperatives use to maintain consistent employment levels during sustained periods of low revenue?

In this qualitative multiple case study, I will use a set of open-ended interview questions to ask participants to gain insight on the strategies managers of worker-owned cooperatives use to maintain consistent employment levels during sustained periods of low revenue. The following protocol will be used before, during, and after the interviews.

Protocol Steps

1. Select and contact research participants
2. Contact research participants by phone or email
3. Allow participants to choose times and days for interviews
4. Explain the research process to participants
5. Provide research participants with the study purpose, and ensure verbal consent following consent form
6. Inform participants that I will record the interviews
7. Interview participants
8. Allow questions from participants after the interviews
9. Provide participants with thank you notes after each interview
10. Transcribe recorded interviews
11. Member checking with participants using researcher interpretation data for verification