

# Diversity work in democratic member-based organizations

An empirical enquiry into cooperatives  
based in Copenhagen, Denmark

## **Master's thesis**

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## **Abstract**

The topic of diversity is predominantly studied within conventional corporations following a top-down implementation, while ignoring other types of organizational forms. To add to the diversity academia, this paper studied how diversity work is understood, approached and implemented in democratic member-based organizations, such as cooperatives. This was done through an interpretive, case study approach using six semi-structured interviews with members of three different cooperatives based in Copenhagen, Denmark.

The findings show that inherent to the *modus operandi* of the cooperative is a culture of inclusion, characterized by equality, solidarity, high levels of worker-engagement and a culture of communication. The findings also show an understanding of diversity which takes the form of a duality. People are seen both in terms of individuality and socio-demographic belonging; maintaining both the dignity and integrity of the individual, while recognizing that not all people have access to the same opportunities. This is explained by the value ascribed to a diverse workforce defined as such not by social categorizations but by individuals' background, personalities and interests. Conjointly, meaningful diversity work relies on the recognition of socio-demographic traits, which are seen as a determinant of social exclusion that need to be counteracted for the greater social good.

The researchers of this study believe that this intertwining view on diversity, combined with the innate culture of inclusion, makes the cooperative a promising organizational form for achieving the emancipation of minorities in the workplace.

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# 1. Introduction

In recent years, the idea that institutional actors throughout Western countries should become more diverse has gained momentum. From quotas for female representation in Norwegian corporate boards, to the many diversity and inclusion strategies deployed by firms, to the record number of women entering the American Congress in 2019 (“Ten years on from Norway’s quota,” 2018; DeSilver, 2018).

It appears as though a more diverse distribution of roles within societies is becoming the new norm. However, resentment against immigrant minorities has also grown, which has resulted in the rise of far-right wing parties in Europe and the election of Donald J. Trump in the United States. Debates about patriarchy and feminism have also surfaced, as seen with the #MeToo movement, and underlined the cleavages that exist about the nature and the solution to such problems. The fact therefore remains that, despite encouraging signs, minorities are still vastly over-represented in low-paying jobs and unemployment, while their numbers in high-paying jobs remains low (Özbilgin & Vassilopoulou, 2010, as seen in Jonsen, Tatli, Özbilgin & Bell, 2013). However, the multicultural, multi-ethnic and diverse society is a reality of western democracies that seems difficult to deny or revert. These issues, their nature and their remedies have therefore become of great interest to scholars in recent years.

In the last decades, Denmark has experienced an unprecedented wave of immigration that has progressively transformed it into an ever more multiethnic society (Holck & Muhr, 2017). This new phenomenon has not gone unnoticed by Danish businesses, who have seemingly adopted the North American diversity management rationale to deal with this “diversity problem” (Holck & Muhr, 2017, p. 3). However, Danish organizations appear to show little progress with regards to the incorporation of minorities in the workplace and the removal of unequal opportunity structures. In fact, minorities remain relegated to low-skilled and temporary occupations, far from managerial positions (Holck & Muhr, 2017).

Intrinsically tied to this societal phenomenon is the concept of globalization. Throughout the past decades, economies have become ever more interconnected. While globalization may have generated many benefits for the world economy, it has equally resulted in an economic situation where capital is displaceable, but labor is not, leaving certain groups on the sidelines. In a response to this situation, alternative ways of organizing businesses have become increasingly popular, going from sustainable models

based on the principles of the circular-economy, to democratic companies where the workers have an equal say and vote. The latter one of these can be categorized under the umbrella term of ‘cooperatives’. Cooperatives are defined as “people centered enterprises, owned, controlled and run by and for their members to realize their economic common economic, social, and cultural needs” (“What is a cooperative?”, n.d.). Perhaps the most notorious cooperative in the world is the Basque-based cooperative Mondragon Corporation, a federation of cooperatives boasting more than 80.000 workers in 2017 (Mondragon, n.d.). However, not all cooperatives operate at such a large scale, and their size and structure can vary greatly. Due to this variance and peculiarities, cooperatives have come under increased scrutiny from the academe.

Despite the more recent interest in them, the modern cooperative movement has its roots in the late 19<sup>th</sup> century in Europe. The first cooperative in Denmark, a creamery in Kaslunde, was established in 1875 (Zeuli & Cropp, 2004). Currently, the Danish business landscape is composed of 18.605 democratic enterprises<sup>1</sup>, which in 2017 accounted for a total revenue of 330 billion DKK. Democratic member-based organizations in Denmark employ approximately 150.000 people, representing a five percent of the total jobs in the Danish context (Tænketanken Demokratisk Erhverv, 2019).

An aspect that has been neglected within the existing literature is the link between cooperatives and diversity. Indeed, little to no research projects have examined how these two emerging research fields interact, or if they even do interact. Following the call by scholars to investigate diversity empirically in non-American contexts, and confront the literature to alternative business models, this paper therefore aims to bridge this research gap by offering an exploratory case study, investigating the following research question:

*How is diversity work understood, approached and implemented in cooperative businesses based in Copenhagen, Denmark?*

In order to answer this question, the researchers conducted six semi-structured interviews, with the kind participation of workers from the Copenhagen based cooperative Københavns Cykelkooperativ (hereinafter KBHs Cykelkooperativ), LOGIK & Co., and KnowledgeWorker.

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<sup>1</sup> In this paper, the terms ‘democratic enterprises’ and ‘cooperatives’ will be used interchangeably

To fully grasp the debates amongst scholars regarding diversity and cooperatives, this paper will first present a literature review. This is done to understand the current debates amongst scholars on the subjects of diversity and cooperatives, as well as exposing the research gap and serving as a basis for the subsequent analysis. Following the literature review, the methodology this paper employs will be expanded upon. This will show the ontological and epistemological assumptions on which this paper is based and how these affect the analysis and discussion. The single-case research design will also be clarified, as well as the nature of the primary data collected through interviews, why the specific data was chosen, how it was collected and how it was analyzed. Considerations and limitations to such a methodology will also be discussed. Having described the literary and methodological aspects of the study, the paper will then move on to the analysis of the empirical data. Finally, a discussion will be presented, wherein the aforementioned analysis and previous literature will be used to present the contribution this paper makes to the academia.



## **2. Literature review**

In the following sections, a brief review of the literature in the fields of diversity and cooperatives will be presented.

The first part of this section will address the topic of diversity. Initially, a chronological, historical evolution of the diversity ideologies will be presented, mainly through the study developed by Nkomo and Hoobler (2014). Subsequently, a deeper review of the extant diversity streams of research will be introduced, based primarily on the classification made by Holck, Muhr and Villesèche (2016) and Villesèche, Muhr and Holck (2018). Special attention will be given to the critical diversity scholarship, as this is the standpoint that the researchers take for the purpose of the paper. This initial section will conclude with a brief description of an alternative approach to diversity introduced by Jonsen et al. (2013).

In a further section, the researchers will justify the relevance of studying diversity work in an alternative organizational context, such as worker cooperatives. An introductory conceptualization of the cooperative enterprises will be presented, together with a brief history of the cooperative movement. In addition, the key features of worker cooperatives will be described and, finally, attention will be directed to a specific type of cooperatives: the worker-recuperated enterprises.

### **2.1. Diversity literature review**

#### **2.1.1. History and development of diversity ideologies**

There is little doubt among scholars that the terms ‘diversity’ and ‘diversity management’ originated in the US in the mid-1980s (e.g. Nkomo & Hoobler, 2014; Jonsen, Maznevski & Schneider, 2011). Yet, the arrival of these terms in Europe is considerably more recent. Kamp and Hagedorn-Rasmussen (2004) date the introduction of diversity management in Europe in the late 1990s, whereas Tatli, Vassilopoulou, Ariss and Özbilgin (2012) highlight that the popularization of this concept did not happen until the late 2000s. Nevertheless, the history of diversity-related debates in Europe varies across countries. For instance, Tatli et al. (2012) consider the UK to be the European pioneer in this matter, deploying anti-discrimination legislation more than five decades ago with the *1967 Race Relations Act*.

It is worth noting that the understandings and conceptualizations of both diversity and diversity management that prevail nowadays are not the same as some decades ago.

In this regard, Nkomo and Hoobler (2014) developed a chronological review on the different diversity ideologies in the US, aiming at describing how diversity practices and definitions have evolved over time. In their study, these authors explore how ideological shifts throughout US history have resulted in a move from overtly discriminatory and exclusive practices, to affirmative action (hereinafter AA) and equal employment opportunity (hereinafter EEO) legislation, to multiculturalism and diversity management and, finally, to an inclusion paradigm.

### ***Discrimination and ‘White’ supremacy***

The first diversity ideology dates from the birth of the US until the 1950s, and it is characterized by “the legitimacy of racial domination and a belief in White supremacy”, as well as by a strongly perceived inferiority of black people (Nkomo & Hoobler, 2014, p. 247). However, this discriminatory ideology became challenged by the wake of legal and social civil right movements in the 1960s (Nkomo & Hoobler, 2014; Villesèche et al., 2018).

### ***Equal Employment Opportunity and Affirmative Action***

The *Civil Rights Act of 1964* is regarded by diversity scholars as a turning point in the attitudes towards diversity in the US, characterized by arguments against discrimination and for the idea of equal opportunity, with a main focus on ethnicity (Nkomo & Hoobler, 2014). This is what Nkomo and Hoobler (2014) consider to be the second diversity ideology, which they refer to as ‘color blind equal opportunity’, prevailing during the 1960s and 1970s.

This particular diversity era encompassed the development of both AA and EEO legislation by the US government in order to fight against the historical, systematic discrimination towards ethnic minorities (Nkomo & Hoobler, 2014), and hence, “reduce the adverse effect of exclusion and social stratification” (Villesèche et al., 2018, p. 13).

On the one hand, EEO refers to those policies destined to challenge discriminatory practices in organizations (Nkomo & Hoobler, 2014) and to guarantee that applicants “will be assessed without regard to aspects such as gender and race” (Villesèche et al., 2018, p. 13). A common practice across organizations to comply to EEO policies is to publicly and explicitly state that they welcome applicants from a diverse talent pool (Villesèche et al., 2018). On the other hand, AA refers to those practices “designed to

directly increase the proportion of people from minorities in the workplace” (Jonsen et al., 2011, p. 39). Hiring quotas are generally the most common practice within the AA approach.

Tensions between the EEO and the AA agendas exist: whereas the EEO claimed that race should not matter, the AA agenda was indeed developed to correct the discriminatory effect resulting from the ‘White’ supremacy ideology (Nkomo & Hoobler, 2014). Furthermore, AA has also been challenged due to its preferential treatment of ethnic minorities (Nkomo & Hoobler, 2014). As highlighted by many scholars, both AA and EEO programs had proven insufficient and unable to achieve the inclusion of minorities in the workplace (Villesèche et al., 2018). This, in turn, resulted in a general dissatisfaction about the little progress achieved through EEO and AA legislation, and in an emerging belief that the EEO and AA programs had become obsolete (Nkomo & Hoobler, 2014).

### ***Diversity and Diversity Management***

A new ideology emerged in the mid-1980s as a response to the failure of the EEO and AA programs (Nkomo & Hoobler, 2014). Subsequently, the term ‘diversity’ became increasingly popular in the management literature. This concept was used to describe the multitude of groups within a talent base or workforce and introduced gender, sexual orientation, (dis)ability status, religious affiliation and age into the debate for the first time (Nkomo & Hoobler, 2014). Jonsen et al. (2011) show how diversity can respond to multiple things: visible or demographic characteristics (e.g. gender, ethnicity, age, etc.), invisible or ‘informational’ characteristics (e.g. work experience, educational background, etc.), core values of the individual (e.g. due to culture or religion), as well as psychological characteristics (e.g. personalities or attitudes).

With this new discourse, the term ‘diversity management’ gradually settled in the management and business rhetoric. Scholars have pointed out to demographic changes, increased globalization and representation of minorities, and changes in workforces as the most recurrent reasons for the emergence of the diversity management paradigm (e.g. Holvino and Kamp, 2009; Jonsen et al., 2011). Mor Barak (2005) defines diversity management as “the voluntary organizational actions that are designed to create greater inclusion of employees from various backgrounds into the formal and informal organizational structures through deliberate policies and programs” (p. 208). In line with this, Jonsen et al. (2011) see diversity management as the managerial actions designed to

increase diversity and to enhance productive and friendly working relationships. Central to the diversity management paradigm is the so-called ‘business case for diversity’. This is based on the idea that “diversity can bring added value and ultimately have a positive impact on the bottom line”, and hence promotes diversity as a valuable asset for the organization (Villesèche et al., 2018, p. 12).

Consequently, the diversity management paradigm represents the third diversity ideology, which represents a shift from compliance to EEO and AA legislation to valuing diversity as a potential contributor to the organization’s performance (Nkomo & Hoobler, 2014). In the words of Nkomo and Hoobler (2014), “while the rationale for affirmative action and equal opportunity were predominantly legal and moral - ‘it is simply the right thing to do’ - the new idea of managing diversity involved an appeal to rationality” (p. 251). Therefore, while EEO and AA work towards reducing the negative effects of exclusion, diversity management rather embraces the positive outcomes of inclusion (Jonsen et al., 2011).

With the establishment of the diversity management ideology, the idea that the effective management of a diverse workforce would result in a competitive advantage became popular. Supporters of this argument believed that this practice would allow companies to attract and retain the best candidates, access new markets, address the needs of a diverse customer base and develop more innovative ideas and solutions (Nkomo & Hoobler, 2014). However, diversity research on the previously mentioned benefits have led to inconsistent and even contradictory findings, and thus there is no clear advice on how to approach diversity (Jonsen et al. 2011; Nkomo & Hoobler, 2014). For this reason, the diversity management approach, and particularly the business case for diversity, have been subject to criticism. For instance, Embrick (2011), states the following:

“The diversity management approach has helped corporations become increasingly sophisticated in their ability to portray themselves as supporters of racial and gender equality, while simultaneously they make no real substantial changes in their policies and practices to create real changes in the racial and gender composition of their workplace” (pp. 544-545).

In addition, Nkomo and Hoobler (2014) warn that certain diversity management initiatives, by including everyone, can fall on the trap of denying the existence of racism, sexism, or other ways of discrimination. Similarly, Villesèche et al. (2018) stress that the ambition of the business case for showing diversity as a strategic asset can lead to an

excessive focus on the unique potential of diverse individuals, while at the same time hiding and ignoring the inequalities and power dynamics that exist in the organization. Some of these arguments are common within the critical diversity literature and will be further elaborated on the following section of this paper.

### ***Moving towards a focus on inclusion***

Finally, a fourth ideology has been popularized in recent years in the diversity scholarship, which focuses on the concept of inclusion (Nkomo & Hoobler, 2014). Inclusion refers to the establishment of non-discriminatory organizational structures and the removal of obstacles and barriers, so that all employees can productively and effectively contribute to the organization in an amicable and beneficial way (Hanappi-Egger, 2012). Whereas diversity concentrates mainly on the demographic composition of groups, inclusion generally refers to employee behavior (Roberson, 2006).

With regards to the achievement of an inclusive behavior in organizations, Pless and Maak (2004) introduce a conceptual framework of inclusion and clamor for organizations to foster an inclusionary approach in which “differences are recognized, valued and engaged” (p. 130). The authors argue that the potential of a diverse workforce can only be truly unleashed through the establishment of a culture of inclusion, which has to be built on the grounding principles of reciprocal understanding, mutual enabling, trust, and integrity. ‘Reciprocal understanding’ refers to the fostering of an openness to discussions with people with different perspectives and opinions, so that the actors can gain new learnings and understandings within a sort of ‘speech community’ (Pless & Maak, 2004). ‘Mutual enabling’ is the process of creating a dialogue in which everyone can participate, bringing in different voices and enabling others to speak up, so that all the actors can find a common approach to certain topics and issues (Pless & Maak, 2004). Trust is seen by the authors as the basis for cooperation and a comfortable knowledge-sharing among individuals. Finally, integrity is defined by Pless and Maak (2004) as “the quality of moral self-governance” (p. 134). They elaborate on the importance for individuals to act in a reliable and coherent manner, based on a set of moral principles and commitments.

Despite the introduction of the term ‘inclusion’, Jonsen et al. (2011) claim that this may not entail a significant change on how organizations deal with diversity. In fact, Jonsen et al. (2011) argue that the business case for diversity remains the predominant

approach in most organizations and that the move from diversity towards inclusion looks more like a mere change in terminology rather than an actual change in diversity work.

### **2.1.2. Diversity research: essentialist, critical and post-structural**

In this section, the three main diversity streams of research acknowledged by Villesèche et al. (2018), and previously by Holck et al. (2016), will be presented. Yet, it is worth noting that what is innovative and groundbreaking about the work developed by these authors is the advocacy to introduce ‘identity’ underpinnings in diversity-related debates. These authors see the concepts and definitions of diversity and identity as “intrinsically linked” (Villesèche et al., 2018, p. 3) and “profoundly intertwined” (Holck et al., 2016, p. 2). However, due to the purpose and main focus of the present research, identity will not be central to this paper and, therefore, this section will primarily focus on depicting the three dominant diversity streams of research and their main critiques.

According to Villesèche et al. (2018), theorizations of diversity are classified according to three distinct streams of research, all of them influenced by a particular identity perspective: (1) diversity literature grounded on social identity theory (SIT), (2) critical diversity literature, and (3) a post-structural perspective on diversity. See Appendix A for a summary of the main assumptions and characteristics of the different diversity scholarships, together with their respective critiques.

#### ***Diversity literature grounded on Social Identity Theory (SIT)***

Social identity theory (SIT) conceptualizes individuals as having a core, specific and fixed identity (Holck et al., 2016). Under this perspective, identity is composed of observable, phenotypic traits of the individual and, at the same time, a sense of self that expands to a group-level based on commonalities with others (Tran et al., 2010; Deaux, 2011 as seen in Holck et al., 2016). This social identity is characterized by an attribute or value that people believe to share with others within the same ‘group’ or category. Hence, the diversity research influenced by SIT focuses essentially on demographic attributes, such as ‘race’ and gender, wherein the business case for diversity is one of the most recurrent subjects (Holck et al., 2016).

The main critiques towards the SIT inspired diversity research are those related to the fixed, stable and almost unchangeable portrayal of a person’s identity. Indeed, this perspective ignores that one’s identity can shift or evolve over time in changing

environments and contexts (Calás et al., 2012 as seen in Holck et al., 2016). Another important critique relates to its positivist and ‘essentialist’ nature, which focuses mainly on observable differences (e.g. gender, ethnicity, or age). This may result in cases of oversimplification and stereotyping and moves attention away from power dynamics and inequality (Holck et al., 2016).

### ***Critical diversity scholarship***

Zanoni, Janssens, Benschop and Nkomo (2010) date the emergence of this stream of research to the mid 1990s. These studies are a reaction to the predominant, positivistic and essentialist approach to diversity, which is considered to be hiding the unequal power relations that exist in the workplace. Most critical diversity studies aim for an approach that sees diversity as “socially (re)produced in on-going, context-specific processes” (Zanoni et al., 2010, p. 10). Similarly, Villesèche et al. (2018) highlight how the critical diversity research regards demographic categories as “socially constructed and under constant redefinition” (p. 18) and how discourses and power structures influence such categories. This depicts the motivation of the critical perspective to push the notion of diversity beyond the essentialist stream that focuses on fixed and predetermined demographic categories.

In this line of thought, Tatli et al. (2012) developed a comparative study of diversity work in different national contexts - the UK, France and Germany - to demonstrate that diversity has no universal fixed meaning and that the concept is “contextual, contested and temporal” (p. 295). The authors focus on how the meaning and interpretations of diversity and diversity management travel across countries and over time through discourses and political processes of (re)negotiation. Similarly, Holck and Muhr (2017) described how the US-conception of diversity management has been reframed and reinterpreted in Denmark accordingly to the Danish socio-historical context, characterized by a limited historical experience of immigration.

Denmark has recently been faced with a wave of immigration, resulting in an increasingly multi-ethnic society (Holck & Muhr, 2017). Consequently, the North American concept of diversity has been translated and adjusted in Denmark into a practice of “recruiting ethnic-minority candidates as part of the firm’s social responsibility” (Holck & Muhr, 2017, p. 4). Indeed, Kamp and Hagedorn-Rasmussen (2004) found that diversity management in the Danish context is mainly concerned with the integration of

ethnic minorities in the labor market through ‘assimilation’, so that minorities generally have to adapt to the majorities’ way of doing things. Ethnic minorities are seen as a weak and under-skilled group that needs to be helped in order to access the labor-market (Holck & Muhr, 2017). In this regard, Pless and Maak (2004) see assimilation as the opposite of inclusion and exemplify this by showing how minorities are generally expected to assimilate into a dominant corporate culture, resulting in barriers and conflicts that prevent them from performing to their highest potential.

Referring back to Zanoni et al. (2010), the authors describe three fundamental issues that are discussed within the critical diversity debates. Firstly, critical scholars and practitioners argue that the positivistic view on diversity takes “white, heterosexual, western, middle/upper class, abled men as the term of reference” and thus ‘otherizes’ those that differ from this norm (Zanoni et al., 2010, p. 13). As a result, the ‘others’ are generally studied from the point view of those managers and policy makers representing the norm. Secondly, mainstream diversity studies tend to minimize and misrepresent the importance of both the organizational and societal contexts in shaping the meaning of diversity (Zanoni et al., 2010). Finally, many diversity studies lack an adequate theorization of power and are often developed from a managerial standpoint of view on diversity and thus reproduce the power relations from a top-down perspective (Zanoni et al., 2010).

Another recurrent theme in the critical literature is the quest for social justice. This is associated with a critique of diversity management as being merely a managerial practice that facilitates the control of minorities in the workplace through an essentialist categorization (Holck et al., 2016; Villesèche et al., 2018). Kamp and Hagedorn-Rasmussen (2004) refer to this line of discussion as the ‘management control discussion’, which treats diversity as a resource and regards managers as occupying a privileged position over the ‘others’. This allows managers to define what the problematic areas are, leaving some elements of diversity disregarded and leading to asymmetric positions of power (Kamp & Hagedorn-Rasmussen, 2004). Another line of discussion is the so-called ‘equality strategies debate’, which focuses on how traditional strategies to achieve equality result in stereotyping practices by associating people with certain unprivileged groups (Kamp & Hagedorn-Rasmussen, 2004).

Furthermore, authors such as Jonsen et al. (2011) argue that the diversity literature itself is not diverse and that it is mainly dominated by US-centric research. This has resulted in important gaps in the diversity field due to the uncertain applicability of the



North American views, assumptions and approaches in different European countries, as these latter ones “have a distinct historical, philosophical, political, and religious legacy” (Jonsen et al., 2011, p. 43).

Despite the great potential that the critical perspective on diversity holds, researchers lament the absence of solid empirical work in this field (Holck et al., 2016). More concretely, it is purported that although critical diversity research has enriched the diversity-related debates, “such scholarship has to frontally engage with practice, in order to fulfill its emancipatory aspirations and to be able to appraise the depth and breadth of change required within and beyond organizations to develop more democratic, inclusive and equal workplaces” (Holck et al., 2016, p. 12). In the same vein, Zanoni et al. (2010) clamor for more empirical work on diversity organizational settings and propose to pay more attention to how diversity is made sense of and experienced by the diverse workforce itself, rather than by managers and policymakers.

### ***Post-structural perspectives on diversity***

Finally, there is a third diversity scholarship that can be seen as an extension of the critical perspective: the post-structural scholarship (Holck et al., 2016). Diversity research grounded on a post-structural perspective on identity perceive diversity as something that is attributed to employees through an ideological intervention. A recurrent point in this stream of literature is the aim at uncovering and questioning subtle power relations, as well as structures of domination and subordination. In addition, the post-structural diversity literature is generally transgressive with the essentialist diversity studies and often argues for an un-categorical approach (Holck et al., 2016).

Holck’s et al. (2016) critique to this approach focuses mainly on the overemphasized vulnerability of the self to the discourses that impose certain ‘truths’ and social identities, which portrays an image of the subject as almost unable to create its own identity.

### **2.1.3. An alternative approach: Diversity as a societal issue and a collective good**

Jonsen et al. (2013) not only critique the simplistic, positivistic and essentialist models of managing diversity, but also propose a reframing of the extant diversity approaches. More concretely, Jonsen et al. (2013) advocate for an understanding of diversity “as a societal

rather than a strategic choice” (p. 287). The authors embrace an approach that captures the tensions and contradictions between individual and collective interests and that portrays workforce diversity as a collective good. In addition, Jonsen et al. (2013) highlight the importance of regarding organizations as being part of the community and as having a societal role.

The authors argue that the inclusion of individuals from less powerful or underprivileged backgrounds would be positive for the society as a whole. However, diversity is generally implemented by conventional organizations as a strategic business choice that does not match this social view and is thus disconnected from its positive impact on the collective good (Jonsen et al., 2013). As a consequence, there is an alarming overrepresentation of women, ethnic minorities and persons with disabilities in low-paid and less secured positions (Özbilgin and Vassilopoulou, 2010 as seen in Jonsen et al., 2013). This failure of “effective and thoughtful management of diversity” is known as the ‘tragedy of the workforce diversity’ (Jonsen et al., 2013, p. 274).

Aiming at tackling the suggested problem, Jonsen et al. (2013) advocate a multi-stakeholder approach led by the state as a regulator, but also embraced by individual employees, consumers, pressure groups and society at large, to reframe diversity as a societal rather than a strategic choice and “enforce organizations to be more inclusive, diverse and fair” (p. 286). This would be better for society at large and thus it is important that such a debate is present in the diversity field (Jonsen et al., 2013).

## **2.2. Bridging the gap between diversity and cooperative literature**

The previous literature review has unveiled gaps in the diversity field of research. This paper represents an attempt to fill one of the gaps. Indeed, the study of diversity within cooperatives responds to the need of exploring alternative organizational contexts. Furthermore, the development of this study within the Danish context is a valuable addition to the otherwise more US-centric research. Finally, taking a critical approach, the exploration of worker cooperatives is of value as in this type of organizations the distribution of power is seemingly more egalitarian, and thus the meaning of diversity is not imposed from a managerial position.

To sum up, the researchers believe that empirical work in cooperatives has a great potential for enriching the diversity literature with new understandings and insights, as well as practical implications.

### **2.3. Cooperative literature review**

Most literature and research studies on business and management focus on conventional firms and corporations that adopt a capitalist rationality under the principles of competitiveness and profit maximization (Cornforth, 2004; Atzeni & Vieta, 2014). However, there are alternative forms of business organizations that deserve more attention by academia: the member-owned or worker-owned businesses (Birchall, 2011). Member-owned organizations can take different forms, but in this paper the focus will be on worker cooperatives. The little attention given to cooperatives results from the main assumptions that guide the dominant economic approaches, which only consider one single type of organizations whose ultimate goal is profit-maximization and that are driven by self-interested individuals (Borzaga, Depedri & Tortia, 2009). Indeed, these assumptions do not match the cooperative model, as it will be presented in the following lines.

The International Cooperative Alliance (ICA), a non-governmental organization established in 1895 to promote the cooperative model, provides the following definition of cooperatives: “A cooperative is an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly-owned and democratically-controlled enterprise” (“Cooperative identity, values & principles”, n.d.). In addition, the ICA states that worker cooperatives “are based on the values of self-help, responsibility, democracy, equality, equity, and solidarity” and introduced in 1995 a set of seven principles that serve as guidelines for any worker cooperative: (1) voluntary and open membership; (2) democratic member control; (3) member economic participation; (4) autonomy and independence; (5) education, training and information; (6) cooperation among cooperatives; (7) concern for community (“Cooperative identity, values & principles”, n.d.).

‘Voluntary and open membership’ refers to the voluntary nature of cooperative enterprises, as well as to the openness of the cooperative to every individual that is willing to accept the responsibilities of membership. ‘Democratic member control’ highlights the self-control and self-organization of the cooperative by the workers through active participation in decision-making, together with the assignment of equal voting rights for all the cooperative members. ‘Member economic participation’ is related to the advocacy for an equal and democratic contribution of the members in the capital of the cooperative and its allocation. ‘Autonomy and independence’ emphasizes the fact that cooperatives

are indeed autonomous, self-help organizations that are controlled by its members and that in case of partnerships or agreements with other institutions, the democratic control should be ensured by all means. ‘Education, training and information’ deals with the role of cooperative members in educating and training other members, allowing mutual learning and the further development of the organization. ‘Cooperation among cooperatives’ embraces the collaboration and establishment of networks between cooperatives in order to strengthen the cooperative movement and to learn from each other how to better serve the cooperative members. Finally, ‘concern for community’ refers to the role of cooperatives in fostering the sustainable development of the communities in which they operate (“Cooperative identity, values & principles”, n.d.).

Before diving into the key features that distinguish worker cooperatives from the conventional corporations, the researchers of this paper will present a brief history of the cooperative movement and its emergence.

### **2.3.1. History of the cooperative movement**

In order to fully contextualize the aforementioned principles that guide modern cooperatives, the present section will briefly recount the origins of the cooperative movement. While the earliest cooperative organizations can be dated back to ancient civilizations such as Greece, China or Egypt, the emergence of the modern cooperative movements has its roots in the post-industrial revolution times of the 19<sup>th</sup> century in Europe (Zeuli & Cropp, 2004). During this period of time, shifts in agricultural and industrial production technologies caused large social and economic changes, resulting in the worsening of labor standards and conditions, high unemployment and poverty rates (Zeuli & Cropp, 2004). In a response to the social upheaval, individuals from specific social or professional groups, mostly from the more disadvantaged strata of society, began creating cooperatives (Mori, 2014). As Mori (2014), explains these “worker and consumer cooperatives, mutual aid societies and cooperative banks all belonged to a unitary phenomenon centered on labor; wage laborers, small farmers, craftsmen were the main actors and beneficiaries of the different forms of cooperatives” (p. 330).

As mentioned before, the first cooperatives “focused on the interests of particular social or professional groups, mostly belonging to the weak layers of society” (Mori, 2014, p. 347). The aim of these cooperatives was therefore to create benefits to the members actively belonging to the cooperatives. However, during the latter parts of the

20<sup>th</sup> century, a new form of cooperative emerged. Instead of catering directly to the needs of a specific group within society, these new cooperatives aimed at benefiting society as a whole (Mori, 2014). It should be noted that the more traditional form of cooperatives, with their focus on members, also created benefits for the public. Indeed, by creating jobs and wealth for certain groups of society and trading with members and non-members alike, the cooperatives generated positive externalities for society at large (Mori, 2014). However, this is equally true for any form of enterprise or organization. The difference between these new cooperatives and the traditional ones is the *explicit* aim to increase the welfare of all (Mori, 2014).

Nowadays, the variety of cooperatives is very vast. Cooperatives exist in virtually all sectors of the economy and vary in aim, organization, and legal modes (Zeuli & Cropp, 2014; Mori 2014). As a consequence, there is no single, universally accepted definition of a cooperative (Zeuli & Cropp, 2014). As Ivan Emelianoff stated already back in 1942: “The diversity of cooperatives is kaleidoscopic and their variability is literally infinite” (Ivan Emelianoff, 1942, as seen in Zeuli & Cropp, 2014, p. 1).

Although the role and characteristics of cooperatives have been addressed by scholars in a broad sense, the cooperative sector in Denmark remains understudied within the management research. However, Tænketanken Demokratisk Erhverv, a Danish Think-Tank that promotes and connects Danish democratic companies, released in February 2019 the first in-depth report centered around the cooperative sector in Denmark. The report shows that there are 18.605 business in Denmark that are either directly democratic, or where a democratic organization owns at least half of the shares. These businesses generate a turnover of 330 DDK billion, representing about 8.3% of the turnover produced by all Danish businesses. In terms of employment, democratic businesses employ about than 150.000 people, or about 5.5% of the Danish workforce. Despite these figures however, not many cooperatives have been created in Denmark in the last few years. A study by Cooperative Europe found that only 20 cooperatives were created in Denmark in 2013. This contrasts with Italy’s 7500 cooperatives or Sweden’s 550 that were formed during the same year. Reasons for this vary, from a lack of awareness by people, problems raising money from banks, to administrative issues and a lack of support by public institutions (Tænketanken Demokratisk Erhverv, 2019).

The distinction is made between five different forms of democratic organizations in Denmark: the consumer-owned democratic company, the business-owned democratic company, the association-owned democratic company, the worker-owned democratic

company and the multi-stakeholder owned company (Tænketanken Demokratisk Erhverv, 2019). All three case companies participating in the present research are of the worker-owned type, meaning that the members are the employees of the cooperative. This differs from other cooperatives where consumers, companies or associations are also members with a vote (Tænketanken Demokratisk Erhverv, 2019). Worker-owned cooperatives are rarer in Denmark, with only a handful of companies taking this form, representing 0,3% of all democratic businesses. The most common form of democratic business is of the consumer-owned, representing 83% of all Danish democratic businesses (Tænketanken Demokratisk Erhverv, 2019).

### **2.3.2. Key features of worker cooperatives**

Ellerman (2017) argues and criticizes the fact that the basic principles of democracy and private property are generally violated by conventional firms, as these represent non-democratic governance structures and break “the principle upon which private property is supposed to be based: people getting fruits of their labor” (p. 21). In line with this, Atzeni and Vieta (2014) critique the ‘commodification’ of labor by capitalist firms, meaning that workers sell their labor power to employers in exchange for a salary and consequently employers become the owners of the outputs produced by the employees.

Cooperatives are seen in this paper as an alternative to these conventional capitalist firms. They are characterized by a replacement of private shareholders and bosses for the co-management of work by the employees themselves (Atzeni & Vieta, 2014). Cooperatives carry less pressure to profit maximization than conventional firms and are characterized by “democratic and dynamic decision-making structures, the marriage of labor and capital with a social purpose, and connections to member and community need” (Webb & Cheney, 2014, p. 64). As a result, the workers decide through democratic participation the most fundamental aspects of the daily life in the cooperative. This represents an antagonism with many of the traits of most conventional firms, such as the strive for competitiveness, the presence of inequality among employees based on hierarchies, and the lack of democracy and participation. Indeed, democracy, participation, equality and solidarity are some of the main values that inspired and guided the cooperative movement and the self-management of production and organization by workers (Atzeni and Vieta, 2014).

According to Morris (2015), cooperatives represent an alternative organizational model with the potential to work as more equitable forms of businesses “within or in spite of the capitalism model” (p. 30). This means that, despite many worker cooperatives operating within the capitalist market (Azzellini, 2018), their functioning is not only dictated by financial or monetary variables, but it rather entails a strong connection to social and moral norms (Borzaga et al., 2009). In this vein, Cornforth (2004) argues that the ultimate goal of cooperatives is to serve their members’ interests and that “profitability is a means to an end rather than an end in itself” (p. 15).

In most worker cooperatives democratic rights are assigned to the members on the basis of one worker, one vote (Spear, 2004; Webb & Cheney, 2014; Ellerman, 2017). Thus, board members in cooperatives tend to be elected by the people working in the firm on the basis of democratic principle of self-government (Ellerman, 2017; Cornforth, 2014). This is the reason why cooperatives are often regarded as ‘people-centered’ organizations (Birchall, 2011) with trust and cooperation at their core (Borzaga et al., 2009). In addition, Bretos and Marcuello (2017) highlight the role of cooperatives in fighting against inequalities in income and in creating quality jobs with higher and fairer standards. These authors argue that wage inequality within worker cooperatives is lower than in conventional firms.

Finally, worker cooperatives are often more embedded in their local environments than traditional organizations. This is a crucial aspect of cooperatives, as “the knowledge and resources present at the local level always represents the core of the firm’s operative capacity” (Borzaga et al., 2009, p. 12). Cooperative members usually reside in the local area where the cooperative operates (Borzaga et al., 2009) and, thus, are strongly connected to local customers and suppliers (Bretos & Marcuello, 2007). This means that issues raised by the cooperatives are generally aligned with the needs of the actors in the locality.

### **2.3.3. Worker-recuperated companies**

Azzellini (2018) elaborates on a specific type of worker cooperatives that he refers to as ‘worker-recuperated companies’ (WRCs). These are defined as “enterprises self-managed by their workers after the owners close them down” (Azzellini, 2018, p. 763). WRCs deserve special attention in the present paper, as the studied cooperative takes indeed the form of a WRC.

These types of cooperatives are previously privately-owned firms that, after closing down, are re-opened by the former employees. Thus, the conventional enterprise transforms into a worker-cooperative driven by a democratic approach to management, with a social purpose and no individual ownership (Azzellini, 2018; Atzeni & Vieta, 2014). Such workplace takeovers generally emerge as spontaneous and bottom-up actions on the side of workers who want to go beyond the authoritarian behavior by bosses in many conventional firms (Atzeni & Vieta, 2014). WRCs are usually small enterprises and “despite operating within the hegemonic capitalist market, they do not adopt capitalist rationality and are proven viable” (Azzellini, 2018, p. 763).

WRCs share some common characteristics that define them. All WRCs start with a self-organized group of workers “that refuses to accept that private ownership determines whether the workplace will continue existing” (Azzellini, 2018, p. 768). WRCs experience a transformative path, from hierarchical capitalist business to democratically self-managed organizations, where the workers’ well-being is a central aspect. Although economic viability is necessary for the survival and the evolution of WRCs, this is “intrinsically connected with the aims of democratization, solidarity, justice, dignity, alternative value production and overcoming workers’ alienation” (Azzellini, 2018, p. 768). Thus, a key feature of WRCs and other worker cooperatives is that they are democratically self-managed and self-organized entities, with workers engaging and participating on regular assemblies, where they all have voice and vote and make decisions together (Azzellini, 2018). Furthermore, WRCs are driven by workers’ commitment and collective-decision making, which results in the workers having a broader knowledge of the organization’s functioning and a high degree of job rotation according to the different needs of the firm (Azzellini, 2018).

WRCs, however, are often times presented with a difficult challenge. On the one hand, WRCs should work towards maximizing production and revenues as much as possible in order to pay salaries and ensure the company’s survival (Atzeni & Vieta, 2014). On the other hand, worker cooperatives have strong social and solidarity values, which are strictly related to the advocacy for keeping the members working to make a living and, in some cases, to the engagement with the community through the implementation of different projects or events (Atzeni & Vieta, 2014).



### **3. Methodology**

This paper adopts a case study approach, by focusing one worker cooperative located in Copenhagen, Denmark: KBHs Cykelkooperativ. The present research is supplemented by the contributions of two members from two distinct worker cooperatives also located in Copenhagen, Denmark. This is done to provide the readers with a richer contextualization of the cooperative sector in Denmark, and to establish a more nuanced linked between the fields of cooperatives and diversity by introducing further insights from experienced representatives of the cooperative field. This will allow the researchers to better address the research question.

Due to the exploratory nature of the research question, the present study takes an interpretive form. The researchers rely on a qualitative, interview-based method aiming at understanding the meanings, experiences and micro-practices occurring at the studied worker cooperative through the lenses of their individual members. Furthermore, the researchers take a critical perspective, as the present research is aligned with the critical social philosophy that assesses asymmetrical power relations and taken-for-granted assumptions that are generally ignored and underrepresented in the mainstream management research (Alvesson & Deetz, 2000).

In all scientific research projects it is important to explain why the research was undertaken, how access was gained to the organizations and participants, how and why these were selected, how the data was generated and recorded, how it was synthesized and analyzed, and how explanations and conclusions were reached (Easterby-Smith, Thorpe & Jackson, 2015). Yet, before expanding upon the methodological aspects, research design and considerations and limitations, the following section will elaborate on the philosophical assumptions that influenced the researchers' understandings and decisions during the research process.

#### **3.1. Philosophical assumptions**

The aim of this section is to provide the reader with an understanding of the grounding beliefs and assumptions that guided the researchers during the different stages of the research process and that influenced the research design. More concretely, this section is concerned with the matters of ontology and epistemology.

Ontology refers to the philosophical assumptions concerned with the nature of reality, whereas epistemology refers to the study of knowledge and, put simply, "how we

know what we know” (Easterby-Smith et al., 2015, p. 143). This paper is grounded on the epistemological assumption that reality is socially constructed by individuals through discourses and daily interactions, rather than considering reality as objective and exterior (i.e. ‘social constructionism’). In short, the central idea to this philosophical assumption is that “many aspects of ‘societal reality’ are determined by people rather than by objective external factors” (Easterby-Smith et al., 2015, p. 148). This epistemological assumption fits the ontological position known as ‘nominalism’, under which there is no truth and facts are to be seen as human creations (Easterby-Smith et al., 2015).

Based on the main purpose of this research, the researchers do not aim at providing the reader with ultimate truths, but rather to generate plausible and alternative understandings of diversity that go beyond the more positivistic views, by exploring a business form generally ignored by diversity scholars. The researchers will seek to answer the research question by interacting with the research participants (i.e. cooperative members), paying special attention to their different meanings, understandings and perceptions of relevant phenomena and experiences occurring within their specific organizational contexts (Easterby-Smith et al., 2015). More concretely, the researchers will explore how different cooperative members shape and influence the social world and how this may affect the current diversity notions and generate new insights.

As researchers, it is important to reflect on the previous assumptions, as these will define the researchers’ reflexive role, the type of evidence that is required, how the empirical data is to be gathered and interpreted and will help identifying the main advantages and limitations of particular approaches (Easterby-Smith et al., 2015). Indeed, qualitative research encompasses a diverse set of approaches that presume distinct ontologies and epistemologies and that consequently result in different assumptions about the relationship between theory and method (Gehman et al., 2018). In the following sections, the researchers will elaborate and justify the reasoning behind the research methods and design, as well as on how the empirical data was collected and analyzed.

### **3.2. Research setting and case selection**

This section contains a descriptive presentation of the cooperative explored in this paper. This will provide the reader with contextual information about KBHs Cykelkooperativ. This is crucial for the reader to get both familiarized with and immersed in the empirical setting.

### **3.2.1. Research design: A case study approach**

This paper relies on a case study approach, with a focus on a cooperative enterprise located in Copenhagen, Denmark: KBHs Cykelkooperativ. Case studies provide the researchers with rich empirical insights into different phenomena and allow for an in-depth analysis of the dynamics in a particular context and setting (Gehman et al., 2018). Case studies can lead to a better understanding of the relation between a particular phenomenon and its context, and thus encompass a great potential for the delivery of theories (Dubois & Gadde, 2002). Therefore, this paper employs a case study approach, as it prepares the ground for a deep understanding of the different meanings and perceptions given by individual employees within a cooperative context and how this can affect the diversity paradigms.

In addition, two exploratory interviews were conducted with the managers of two larger worker cooperatives, also operating in the Danish context. The researchers conducted an exploratory interview with the ‘daily leader’ of LOGIK & Co., a Danish award-winning cooperative within the construction industry, also located in Copenhagen, which has been recognized for its active role in sustainability and social responsibility. The cooperative was founded in 2001 and has been recognized by both Danish institutions and media for its engagement in the employment of minorities. In addition, the researchers also conducted a second exploratory interview with the co-founder and elected director of KnowledgeWorker, a worker cooperative specialized in the field of consultancy. The results of these exploratory interviews were deployed during the analysis of the data, as the researchers consider that their inputs relevant and enriching. However, the main focus of this research will be on KBHs Cykelkooperativ and its members.

#### **KBHs Cykelkooperativ**

KBHs Cykelkooperativ is a bicycle shop and workshop located at the heart of Nørrebro, in Copenhagen. This cooperative is self-managed and self-organized by its four members, who jointly make decisions on all the matters concerning the cooperative. The four members are equally paid and have equal rights and voice. They all previously worked at a bike shop that was very differently organized, with all the characteristics of a conventional store, led by a boss. After the previous owner decided to close the former bike shop, they all joined forces to take over the store and continue it as a cooperative.

Consequently, KBHs Cykelkooperativ was founded in 2014. In addition to the four current active members, the cooperative employs an apprentice that works full-time. The cooperative is owned by a ‘foundation’, meaning that none of the members have personal ownership. The four cooperative members hold monthly meetings where strategic decisions are addressed, combined with a weekly meeting to discuss more operational aspects of the day-to-day work.

### **3.2.2. Sampling**

The selection of the case study presented in this paper was done through the use of purposive-sampling. Purposive-sampling is a genre of non-probability sampling whereby a sample of participants is collected because of its relevance to the study undertaken (Bryman, 2012). The researchers contacted the potential sample members and subsequently scheduled the interviews once the fit between KBHs Cykelkooperativ and the purposes of the present study was recognized. The reasons that induced the researchers to select KBH Cykelkooperativ as a case study were manifold.

Firstly, KBHs Cykelkooperativ is organized as a democratic member-based cooperative. This was the primary and most important requirement to be filled by the case company. In addition, the fact that KBHs Cykelkooperativ is located and embedded in the multicultural, diverse area of Nørrebro was an interesting, contextual feature that fitted the focus of the research question. Finally, the cooperative members were willing to provide a reasonable quantity of data required to conduct the study, in terms of amount and length of interviews.

With regards to the selection of the exploratory interviews, the researchers deployed two different sampling methods. The selection of the interview with the ‘daily leader’ of LOGIK & Co. is categorized underneath the banner of snowball sampling, as contact with this interviewee was only established after one of the members of KBHs Cykelkooperativ made an explicit recommendation. Indeed, in snowball sampling, previously included sample members refer to others who would also be eligible (Easterby-Smith et al., 2015). Additionally, the selection of the interview with the director of KnowledgeWorker was done through purposive sampling, based mainly on the fit between the organizational form of the cooperative (i.e. democratic member-based worker cooperative) and the research question.

It is worth noting that, despite the willingness and multiple attempts made by the researchers of this paper to get access to further interviews with other workers at both LOGIK & Co. and KnowledgeWorker, this was not possible due to the unavailability expressed by their members. This is the reason why this paper focuses on KBHs Cykelkooperativ as a single case study but is indeed complemented by the contributions of two extra research participants with expertise in the cooperative sector.

### **3.3. Data collection**

Due to the interpretive nature of the present research, the researchers rely on a qualitative, interview-based method. The aim is to make sense of qualitative data rather than to seek for quantitative, statistical results.

Qualitative data are non-numeric pieces of information that are created in an interactive and interpretative process between the researcher and the research participants (Easterby-Smith et al., 2015). Qualitative data is perceived as the most suitable source for the present paper, based on the exploratory essence of the research question and on the main purpose of the study. Data collection was achieved through semi-structured interviews, and thus, the main source of information is primary data gathered through interactions with the research participants. This type of data was pursued as it allowed the researchers to gather the first-hand accounts and experiences of individuals working directly in the cooperative world.

#### **3.3.1. Semi-structured interviews**

The primary data was gathered through the development of qualitative, semi-structured interviews. The semi-structured interview entails that researchers establish a set of questions prior to the interview, that can then be complemented with follow-up questions. The pre-set questions are used to zero-in on specific topics, while the follow up questions are meant to enrich and expand the data, as they are based on the respondent's answer. Thus, the semi-structured interview does not have to adhere to a strict schedule or wording but is guided by the questions and the answers of the respondent (Bryman, 2012).

The benefits that this type of interview carry is that it allows researchers to “obtain both retrospective and real-time accounts by those people experiencing the phenomenon of theoretical interest” (Gioia, Corley & Hamilton, 2013, p. 19). Furthermore, the flexibility of such an interview set-up allows the respondents to express themselves more

freely, and thus lets the researchers uncover the interviewees' underlying sense-making and understanding of the topic at hand (Bryman, 2012). Finally, the pre-set questions, or interview-guide, also allows enough structure to make interviews comparable when the fieldwork is carried out by more than one person (Bryman, 2012). Therefore, the researchers believe that the data collection through semi-structured interviews was the most suitable tool to gain an in-depth understanding of the studied research areas.

#### **3.3.1.1. Research participants**

In total, this study undertook six formal interviews. Out of the six total interviews, four were conducted with the members of KBHs Cykelkooperativ, one was conducted with the 'daily leader' of LOGIK & Co. and the remaining interview was completed with the current director of KnowledgeWorker (see Table 1). In addition to the six formal interviews, a preliminary meeting was carried out on January 17th with one of the members of KBHs Cykelkooperativ. The aim of this preliminary meeting was for the researchers to get an initial overview of the cooperative's background. It was during this meeting that the recommendation of conducting an extra exploratory interview with the daily leader of LOGIK & Co. emerged.

The exploratory interview with the daily leader of LOGIK & Co. was conducted on February 18th and had a total duration of 55 minutes. Subsequently, on March 8th three interviews were conducted with three of the active members of KBHs Cykelkooperativ, with an approximate duration of 30-35 minutes each. Despite all members being bike mechanics, their roles vary. One of them is currently working part-time and is in charge of the accounting. The other two interviewees are currently working full-time and, whereas one of them is in charge of the design of the company's website, the other takes responsibility for the apprentice. On March 22nd, a fourth interview was conducted at KBH Cykelkooperativ, this time with the apprentice of the cooperative, with a total duration of 45 minutes. Finally, on April 12th, an extra exploratory interview was conducted with the director of the consultancy worker cooperative KnowledgeWorker, with a duration of 65 minutes (see Table 1).

Table 1. List of Interviews

<b>Type of interview</b>	<b>Date of interview</b>	<b>Research participant</b>	<b>Company</b>	<b>Role in the cooperative</b>
Preliminary meeting	17.01.2019	Peter	KBHs Cykelkooperativ	Bike mechanic; Responsible for the accounting
Exploratory interview	18.02.2019	Balder	LOGIK & Co.	Daily leader (manager)
Interview	08.03.2019	Peter	KBHs Cykelkooperativ	Bike mechanic; Responsible for the accounting
Interview	08.03.2019	Brian	KBHs Cykelkooperativ	Bike mechanic; Responsible for website design and photography
Interview	08.03.2019	Mads	KBHs Cykelkooperativ	Bike mechanic; Responsible for the apprentice
Interview	22.03.2019	Emma	KBHs Cykelkooperativ	Apprentice
Exploratory interview	12.04.2019	Frederik	KnowledgeWorker	Director

The quantity of interviews necessary to achieve validity in qualitative research is still very debated (Bryman, 2012). As the goal of qualitative research is not a quantification and classification of data, the number of interviews was deemed acceptable for a proper, contextual in-depth analysis to be undertaken.

### 3.3.1.2. Preparing the interview guide

The establishment of an interview guide allowed the interviews to vary only on the basis of the respondent's answers, thereby creating a degree of consistency and reliability. The semi-structured interview guide deployed by the researchers was influenced to a certain extent by some of the topics and concepts that emerged during the preliminary meeting

with one of the members of KBHs Cykelkooperativ. Furthermore, previous knowledge of existing literature in the fields of diversity and worker cooperatives led to questions that were considered relevant. It is worth noting that both exploratory interviews were conducted based on the established interview guide, and only adapted to a certain degree to explore specific, contextual aspects of each cooperative (see Appendix B).

The development of the interview guide and prior discussions between the researchers allowed them to formulate open-ended questions that establish “the territory to be explored while allowing the participant to take any direction he or she wants” (Seidman, 2006, p. 84). This was done in order to avoid the pitfalls of asking ‘leading questions’ that influence heavily the responses and directly impose the researchers’ assumptions onto the interview (Seidman, 2006). Thus, the questions formulated in the interview guide are open-ended in nature, so that research participants were given the opportunity to elaborate on the different topics. Furthermore, the semi-structured and open-ended nature of the questions allowed the researchers to formulate secondary questions or sub-questions to ask for clarifications and thus obtain as much in-depth information as possible.

#### **3.3.1.3. Ethics in interviews**

When conducting interviews, great care has to be taken in order to avoid harm to the individuals questioned, as sensitive information could be divulged. Therefore, all interviewees were asked if they consented to having their own first names in the research project, to which they all responded in the affirmative. The interviews were conducted face-to-face at the offices of the respective companies. This was done out of convenience and to leave the interviewee in a comfortable and familiar setting. Furthermore, all respondents were asked if they consented to being recorded, to which all answered in the affirmative.

The recording of the interviews also helps external-validity. If the researchers were accused of being too subjective in their analysis or inventing data, they could then provide the recordings to ascertain the veracity of statements and conclusions made. It also gives assurance to the interviewees that their responses will not be misrepresented (Seidman, 2006). It should be noted that the recordings would only be made available to other researchers in order to verify the data, and not for the use in further research, as this would go beyond the agreement reached with the interviewees.



The language of the interview was English, as this would be the language used in this research paper and the language of the researchers. However, all interviewees were asked if they agreed to being interviewed in English and if they felt comfortable expressing themselves in English, to which all the interviewees again answered in the affirmative. The risk of misunderstanding was therefore reduced.

Finally, the participation was purely voluntary. These questions were all posed in order to ascertain the most ethical treatment of the interviewees and their responses, which is crucial when conducting interviews (Seidman, 2006).

### **3.4. Data analysis**

The data collection process described in the previous section resulted in a large data set to be analyzed. Such data set was analyzed by the researchers through a thematic analysis approach. Thematic analysis is considered to be a useful approach to analyze qualitative data due to its flexibility (Braun & Clarke, 2006). In addition, thematic analysis is a suitable constructionist method “which examines the ways in which events, realities, meanings, experiences and so on are the effects of a range of discourses operating within society” (Braun & Clarke, 2006, p. 81). This is aligned with both the social constructionism epistemology upon which the present research is based, as well as with the interpretive nature of the research question addressed in this paper.

As the present paper focuses on an under-researched area (i.e. diversity in cooperative enterprises), the researchers aim at providing the reader with the richest and most accurate description of the data, while simultaneously reflecting on underlying ideas, assumptions and conceptualizations through an interpretive work. The ultimate goal is to generate an in-depth understanding of the main themes and to produce a theorization of the observed phenomena (Braun & Clarke, 2006). This is indeed linked to the main goal of grounded theory, which is “to generate a plausible - and useful - theory of the phenomena that is grounded in the data” (McLeod, 2001, as seen in Braun & Clarke, 2006, p. 81).

The thematic analysis developed by the researchers can be divided in several steps. Initially, all interviews were audio-recorded with the use of multiple recording devices, except the preliminary meeting at KBHs Cykelkooperativ. Subsequently, all interviews were fully transcribed by the researchers. The transcription step is considered by some scholars as a crucial phase of the data analysis process. It allows the researchers

to get familiar with the data collected and, consequently, develop a first understanding of data (Braun & Clarke, 2006).

The initial listening and full transcription of the interviews resulted in a preliminary understanding of the data that, after exhaustive discussions, led to initial themes. These themes were identified and established based on their importance in relation to the overall research question and the emphasis placed on them by the interviewees (Braun & Clarke, 2006). Subsequently, the full transcriptions were imported into the NVIVO software, which allowed for a visual categorization of data within the previously established themes. A rich and nuanced analysis was then done by re-reading the transcripts multiple times in a re-iterative process aiming at refining the main themes and understandings.

All interviews were listened to and read in unison by the two researchers in order to ascertain inter-observer reliability. By doing so, the researchers discussed and agreed to conclusions, reducing the risk of their findings being too subjective or skewed.

### **3.5. Considerations and limitations**

No research paper is exempt of limitations, as there is no single best way of conducting a scientific research study. Naturally, the researchers of this paper have attempted to minimize both bias and limitations. However, certain considerations must be reflected on, which can serve as an inspiration for the development of further investigations in the field. This section will focus on the main considerations acknowledged by the researchers with regards to the research process and the resulting findings.

This paper adopts a case study approach. A recurring criticism towards case studies is that, as they respond to very specific-contexts or settings, their findings cannot be applied to a general population (Dubois & Gadde, 2002; Flyvbjerg, 2006). In short, the generalization and universalization of findings resulting from single case studies is generally questioned by some scholars. This research paper focuses on one specific cooperative sited in the ‘multicultural’ neighborhood of Nørrebro, in Copenhagen. In this regard, the researchers acknowledge that the results presented in this paper may have been different if observations had been done through a multiple case approach and in other national contexts. Nevertheless, some scholars stress that the learnings obtained from case studies should indeed be seen as a strength rather than a weakness, as findings and ‘truths’ are unstable over time (Weick, 1979, as seen in Alvesson & Deetz, 2000; Dubois &

Gadde, 2002). Indeed, one of the central issues of this research (i.e. diversity) is seen by critical diversity scholars as context-specific and temporal (Tatli et al., 2012; Villesèche et al., 2018; Zaroni et al., 2010). In addition, cooperatives entail a vast variety of legal and organizational forms. Therefore, the researchers regard as consistent and appropriate to study such a context-dependent concept (i.e. diversity) through an approach that allows for an in-depth understanding of the relationships between empirical data and context.

Another consideration is that this paper uses a constructionist research design, which assumes that reality is socially constructed through every-day interactions between individuals. Therefore, researchers identify and interpret the various truth claims made by social actors (Easterby-Smith et al., 2015). The use of interviews in qualitative studies, where the researcher is an integral part of the interview and subsequent interpretation and analysis of the data, induces a degree of subjectivity into the research process (Seidman, 2006). This is one of the main criticisms levied against qualitative research. Indeed, qualitative research is sometimes accused of being too subjective (Bryman, 2012; Easterby-Smith et al., 2015). However, by establishing the interview guide, listening and reading the interviews and analyzing and discussing together, the researchers of this paper policed one another so as to reach reasonable conclusions. The recordings can also be made available to other researchers wishing to verify the source material. Furthermore, a degree of subjectivity is inevitable in any social science research. For instance, the establishment of surveys in quantitative studies also relies on a subjective selection and wording of questions and themes (Bryman, 2012).

With regards to sampling, as with any research, the selection of a sample invariably leads to the exclusion of other samples that could have been of use. Had this study benefited of more time and resources, other valuable empirical data could have been uncovered. Equally, a longer time-frame could have allowed for other types of researches to be done, for instance a longitudinal study or ethnographic research design. These types of investigations, however, lay beyond the scope of this paper and are not free of shortcomings either. With more time, the sample size could have also been expanded to cooperatives outside the Copenhagen-context. All these examples might have brought a richer, more detailed account of the matter at hand. However, though small samples are less precise than larger ones for generalizations, it is preferable “to have a sample that properly represents that population even if the precision is lower” (Easterby-Smith et al., 2015, p. 224).

The use of interviews has also been criticized as generating little ‘hard, reliable data’ and too much contextual data (Bryman, 2012). Other forms of data, such as surveys, could have been used in order to achieve more statistical, generalizable data. However, the researchers of this study adhere to the belief that interviews grant access to information in a rich context that would otherwise be difficult to observe (Easterby-Smith et al., 2015).

Interviewees can also be intimidated by the thought of being recorded (Bryman, 2012). This in turn can affect their thinking process and thereby hinder them in expressing themselves freely. Thus, as previously mentioned, every interviewee was asked if he or she was comfortable with being recorded. Finally, a criticism brought against interviews is that the questions cannot only be too subjective, but also badly formulated or too leading (Bryman, 2012). However, the role of the researcher is integral to any research, and this paper assumes the position that the human interviewer “can be marvelously smart, adaptable, flexible instrument who can respond to situation with skill, tact, and understanding” (Lincoln & Guba, 1985, as seen in Seidman, 2006, p.22).

## 4. Findings

The data collected has revealed several areas that deserve attention. The main findings of this paper are structured into five main themes: (1) the main mission of worker cooperatives, (2) the equality among cooperative members, (3) solidarity as a main value of worker cooperatives, (4) high levels of worker engagement and, finally, (5) different perceptions and understandings of diversity.

### 4.1. A ‘nice’ working environment: Equality, democracy and participation

When asked about the main mission behind the cooperatives, the respondents almost unanimously gave the same answer: the main mission is to create a ‘nice’ workplace. As Brian explains, the mission of KBHs Cykelkooperativ is *“to boil it completely down, mainly to make a place that’s nice to work at. To have a nice work environment”*. This statement is corroborated by Peter, who states that *“the main vision has always been to create a nice place to work, actually, mainly”*. This view is also shared by Frederik, the director of KnowledgeWorker, who explains that:

*“The main goal of our company is to create a really nice workplace for its owners by doing great projects for clients within their sustainability and helping create new products that could help ourselves and help our clients and our successors”*.

The explanation as to what such a ‘nice’ workplace entails, however, varies more from individual to individual. As Brian explains, it is a place where *“the responsibilities you have makes the place better. So yeah, being part of the decision making, leading to a more involved workplace, basically”*. Here, the interviewee emphasizes the increased involvement he feels by being part of the leadership, having a say in the decisions and enjoying the impact this has on the functioning of the cooperative. This sense of participation, where everyone has a voice and is listened to, is echoed by Emma: *“I think that the general goal is that we should all have something to say. And I think we’ve achieved the goal”*. Here the democratic aspect of the cooperative is stressed, where the fact that decision making is based on democratic deliberation endow Brian and Emma with a sense of empowerment, leading to a nicer workplace.

Another goal mentioned by Mads is of a more practical nature: *“To have a working bike shop that keeps everybody paid, so they can live. That’s the first and the most basic goal that we have”*. Thus, he refers to the provision of work and income for

the members as the main mission. However, this view is nuanced by other interviewees. As we have seen earlier, Peter explained that the main goal was to create a ‘nice’ working place. However, he also adds that:

*“That, of course, is dependent on the company earns [sic] money, but that’s never been the focus or the goal; to get rich”.*

Despite the need for the cooperative to make money in order to survive, its mission appears to lay outside of a purely ‘profit maximization’ rationale. The focus seems to be around the internal well-being of the employees. This statement is corroborated by Frederik, from KnowledgeWorker, who explains how the mission of his cooperative differs from the mission of most conventional corporations:

*“Which is a totally different vision. If you would go to another company, they would say ‘we are going to make the best washing powder ever’ or something like that. We are more focused on ourselves and the good we can do by helping others in different ways. [...] So sometimes we do two projects that doesn’t [sic] need to make a lot of money. But just because we think that it would be really interesting”.*

To sum up, when asked about what the main mission of the cooperatives are, the respondents predominantly explain that it is the creation of a ‘nice’ working place. Answers rang from the democratic aspects where everyone’s voice is heard, the distribution of responsibilities, to the ability to work on projects that lie outside of a purely ‘profit maximization’ logic. As Frederik explains, leadership in his cooperative needs to respond to the will and values of the owners, who in this case are the workers:

*“If you then have a management that doesn’t relate to the co-ownership stuff, then it’s a problem. That’s an issue around the cooperative world. And so, you need to have a guy that kind of says: ‘Okay, I have to remind [sic], it’s a company. I need to make money for my owners, but the money is not the only value’. So, if the owners’ value is jumping up and down or saving the whales, then my job is to do that”.*

In summary, Frederik states:

*“The only goal is to make the owners happy, and the owners is the workers”.*

However, tied to this creation and maintenance of a ‘nice’ workplace, the members of the cooperative acknowledge that the provision of an income and job-security is of pivotal importance.

## 4.2. Equality among cooperative members

Throughout the interviews, the concept of equality emerged as a major theme. Its importance is best explained by Emma, who states the following:

*“I think it is a great idea to have a cooperative, because when you feel equal... Feeling equal is, I think, the best thing to feel. You feel equal, you feel that you feel the trust, you feel respect, you don't feel like you're higher than anybody. And we treat each other respectfully. There's always trust behind it. It's like, they all fit together. So, I think everybody being equal and everybody being respected is a very, very important thing in a workplace”.*

The analysis shows that this sense of equality is established through the flat nature of the cooperative structure, as well as through an egalitarian distribution of mandates and salaries. Furthermore, these practices allow for a culture of open communication to emerge, based on democratic principles. These aspects will be expanded upon in the following sections.

### 4.2.1. Flat organizational structure

The data reveals a completely flat organizational structure in which no one occupies a higher position or has more mandates than the others. When asked about his concrete job occupation at the cooperative, Peter defines his role as bike mechanic and responsible for the accounting. However, he also makes it clear that all the members have a leading role in the day-to-day functioning of the cooperative, without distinction: *“Like everyone else, I'm part of the daily leadership when I'm here because that's the way we organized it”.*

On his side, Mads describes the structural absence of a boss in the cooperative as follows: *“We are just a normal company, but there's just not a boss”.* This results in a totally horizontal hierarchy, as Mads explains: *“It's also nice that you cannot just run off to somebody higher in the hierarchy”.* Furthermore, this is what contributes to the sense of equality between the cooperative members, which according to Peter does not occur when there is a single boss because: *“You are never equal with your boss”.*

As explained by Peter in the preliminary meeting, none of the members personally own the cooperative. Instead, the ownership was given to a ‘foundation’ with the ultimate goal of having a structure as bullet proof to conflicts of interest as possible. In this regard, Brian says:

*“The ownership, like, how much big a part of the business you own... I think could be a problem with other set-ups. But now we have it so that the ‘foundation’ owns the shop,*

*instead of us. [...] So, instead of us having 25-20% [stake] each, the 'fund' owns everything. So, there isn't this monetary thing at the back of your head. [...] I think that could be a source for conflict as well. But I think our solution is quite nice, that we just get to work and we don't have some abstract size of money lurking in the background".*

This is supported by Balder, who explains how at LOGIK & Co. they also gave the ownership to a "foundation". The reason for this is the perceived danger of having individuals own varying amount shares in the company, *"because we saw that it's a very dangerous thing for other companies that people stay in power."* Therefore, the ownership via a foundation allows active workers to have an equal say, as Balder explains: *"As long as you work here, you can have a lot of power and move your company the way you want and do a lot of things"*. However, workers do not have personal ambitions or influence tied to varying degrees of ownership: *"Everything is owned in the same stream: no personal ownership, no nothing"*.

At KnowledgeWorker, the ownership structure takes a different form. The cooperative is composed of 17 owners, who are workers/partners. However, they all have the same voting power, unrelated to their initial capital input:

*"Our company form is made like one owner-one vote, no matter how much money they [the owners] want to put in it. So, they don't own capital shares [...], we don't have a huge shareholder who decides that we have to optimize the bottom line and supply"*.

What is common to all the discussed cooperatives is the external pressure to maximize the return of external shareholders. This gives the freedom to the workers to collectively decide what is best for the cooperative and for their working environment.

#### **4.2.2. Same mandate and same salary**

With regards to the cooperative structure, the fourth member<sup>2</sup> of KBHs Cykelkooperativ, highlights:

*"The cooperative structure we have chosen is a protection between our friendship and work life, and it provides a structure for our workplace. It means that we get the same amount of pay and have as much to say"*<sup>3</sup>.

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<sup>2</sup> This member was not directly interviewed. The statement was retrieved from: <https://kooperationen.dk/media/155633/Folder-Start-et-kooperativ-Kooperationen.pdf>

<sup>3</sup> Original text in Danish, translated by the researchers.



Hence, KBHs Cykelkooperativ appears to be a completely flat organization, grounded upon the principles that everyone should get paid the same and that everyone's voice is to be heard, which results in a sense of equality among co-workers.

The attempts of worker cooperatives to instill egalitarian mechanisms can also be seen at LOGIK & Co. Here, all employees perceive the same salary at the end of the month, regardless of their specific position. In fact, this is one of the principles upon which the cooperative was based, as explained by Balder: *"We wanted a company that always really looks for equal salary. And that's from bottom to the top"*. Although Balder is titled as the 'daily leader', he actually gets the same salary as anyone else in the cooperative.

Therefore, interviewees agreed to a structure that prevents the cooperative from being destabilized by money-related issues. Peter argues that in conventional firms that are characterized by hierarchies, different mandates and different salaries there is a greater likelihood for conflicts of interest to emerge:

*"If there's just one guy who decides everything, you don't have conflicts about taking these decisions. But on the other hand, you have some conflicts of interest, because the one who decides has more mandate and also gets more money usually"*.

In this section, it has been revealed that KBHs Cykelkooperativ is organized as a flat organization whose management is not given to a single boss. Instead, the cooperative is co-managed by its four active members, who get an equal salary and have equal voice on all the matters concerning the life of the cooperative. The sense of equality resulting from this strictly horizontal governance structure is considered by Emma, the apprentice, as highly important: *"To me, the benefits [of the cooperative structure] are feeling equal. I know I said it a lot of times, but it is a very important thing"*.

#### **4.2.3. Culture of communication: Common decision-making and consensus**

At the core of the daily life at KBHs Cykelkooperativ is the common-decision making. As described by all the interviewees, the four active members of the cooperative hold a common meeting every first Monday of the month, in which the most important decisions affecting the life in the cooperative are made. However, according to Peter, *"on a daily basis, it's the ones who are at work who have mandate to make decisions about daily stuff"*. This is supported by Brian's contribution:

*"The smaller decisions are made more, like, day to day. [...] Mainly in an informal way of talking about it in the in the workshop and see what needs to be done and, yeah..."*

*Maybe calling each other if it's like a somewhat bigger problem. But it's mainly talking things through and getting to an agreement”.*

A recurrent topic mentioned by all the interviewed members of KBHs Cykelkooperativ is the need for continuous communication until a consensus is reached. Peter argues:

*“Until now it's been possible to make the decisions where everyone agreed about there was [sic] the good decisions. So, we try to do a bit of consensus democracy”.*

Brian also places great emphasis on the importance of always communicating with one another:

*“Of course, there are differences of opinion. But so far and, I think, in the future we will only talk to an agreement. I can't really see it any other way, because... The structure that it is, and everybody has a say. We have to agree. We can't have some of us annoyed of a decision. Of course, sometimes you have to say 'okay, I don't think it's a good idea, but we'll see how it is'. And then, if it works, it works. If it doesn't work, we try the other idea. We don't really have a 'voting thing', so we usually just talk to a consensus”.*

In the same line, Mads argues that in the monthly meetings, where major issues are discussed, *“everybody meets up and it's kind of consensus. You have to just agree, everybody has to agree. And sometimes there's been a lot of discussions and sometimes that decision-making has been easy”.* Similarly, Brian elaborates on fact that when decisions are made, experience and expertise may weigh more in the final verdict, but that even then, conversations are held and explanations given:

*“Peter, who's doing the accounting, knows a lot more about the economy of the shop and the details of that. So, of course, his voice weights a bit heavier in those matters. [...] So, mainly we talk about it, but of course, in any discussion, experience speaks more than inexperience. But yeah, everybody can have a say and it's an open discussion. And even though you have the experience, we always have to explain why it's like that”.*

If there are disagreements, Peter seems to have a clear and simple formula to approach such potential conflicts:

*“Well, that is in a really normal way. Then, we talk about it. If it's a big thing or, if it's a minor conflict on a bigger subject, we take it on the meeting, and then we argue back and forth”.*

Although the dynamics at LOGIK & Co. and KnowledgeWorker are different than at KBHs Cykelkooperativ, communication is still essential in those cooperatives. An example is the establishment of ‘talk groups’ at LOGIK & Co., where all employees can join and share different concerns to, eventually, express them collectively at the General Meeting, where decisions can be made:

*“You see that the young people [...] also want to have the same discussions that the older ones have. So, we have now made a group [...] where everything is allowed to speak about and we can take everything up, but we cannot decide anything. But we can find very good ideas and, when we have discussed them very much, we take them to the common meeting and then it does not take two hours to discuss it; it takes 10 minutes with a nice plan, because people have already talked so much about it. And that influences the rest of the company and everyone gets to talk about it”.*

In addition, Frederik touches upon the democratic mechanisms that have been established at KnowledgeWorker:

*“Two times a year, we meet up with the General Assembly. And then, each time the General Assembly elects the leadership, which is the CEOs”.*

The General Assembly mentioned here is composed of all 17 owners. This means that all actors involved are on an equal footing and if there is a dissatisfaction with the leadership, they can vote for a new director.

In short, communication is identified by the researches as an overarching theme central to cooperatives. Regular meetings are held and all the members and workers are encouraged to participate and to express their opinions. In addition, democratic processes have been established in order to vote for different propositions, as well as to vote on the leadership of the cooperative.

### **4.3. Solidarity as a dominant value**

Solidarity emerged from the data as a dominant value at KBHs Cykelkooperativ. This solidarity takes two different forms. On the one hand, the value of solidarity appears to guide the interactions and dynamic among co-workers within the cooperative. On the other hand, solidarity is also seen in the involvement that the cooperative has with the local community. These two aspects will be presented in the following lines.

#### **4.3.1. Solidarity among co-workers**

The equal footing amongst workers creates a shared sense of solidarity. Brian describes the cooperative as: *“A place where the responsibility you have makes the place better... And a place where you rely on each other and have each other's backs, yeah, between colleagues”*. This suggests a strong sentiment of friendship and camaraderie, where workers are expected to back each other up. These dynamics become clear when the interviewees elaborate on the low seasons that characterize the bike industry. As stated

by Brian and corroborated by other interviewees: *“The business is a bit slower in the height of summer and midwinter”*. During these periods, as explained by Mads, *“there's nothing much to do”*. Therefore, it is a common practice within the industry that some workers are laid off during these low periods. This also occurs in the construction industry, as confirmed by Balder:

*“Normally in February that will be 10 minus [°C] and there will be nothing to do, nothing to work because there's [sic] too cold [...]. Everything is wrong. Then normally we send people home in the winter time”*.

In this process of hiring and firing internally, solidarity among workers plays an important role. As Peter explains:

*“The decisions about it depend on a lot of things, both who were [laid off] the last time but also how is your personal situation. And yeah, also economic situation, personally and stuff like that. So, we take these decisions based on who can afford it. Not only money”*.

He continues:

*“For example, some people think that it can be quite ‘stressing’ [...], because you have to you apply and to do a lot of things with the municipality and stuff like that. And we have different views on that. So, some feel it's stressful and some doesn't. So that's also part of the decision. Then, maybe it's okay that the one who feels that's not so stressful, they do a little bit more than the other ones, for example. And this is also where trust is a big part of it. So, I trust the other guys, if they say, ‘I can't be bothered’ or ‘I have too much in my head these days’. Then, I can do it”*.

Therefore, the decisions involving who will get temporarily fired are made based on solidarity among co-workers, taking into account both the economic and personal situation of one another. At LOGIK & Co., as Balder explains, solidarity when making these decisions is also important:

*“We divide the jobs we have, so [that] people was not [sic] out of job more than one month. Then, we take them in and put a new one out, and then the company only pays the two days. That was our part of it. But that's because normally a boss doesn't do that. ‘I keep the best’ and the rest... But we have the whole group”*.

As can be understood from this statement, at LOGIK & Co. they have a formalized procedure to ensure that no employee can be laid off for a period longer than one month. This, he argues, differs from how generally managers operate, who might not take these aspects into consideration.

For Brian, this collective approach and inherent solidarity among co-workers creates a sentiment of protection, so that individuals do not feel alone. Instead, risks are taken in common, as he explains:

*“We are self-employed down here, but you're not alone with all the tough part and all the good part. So, I think that aspect of it has a lot of potential... That you have your own workplace and you make your own decisions, but you do it with other people and you're, like... You have solidarity with those people instead of having the entire headache for yourself. I think that's the big good thing about it, that you still have the freedom from being self-employed, but you have a shared risk”.*

This is strongly aligned with what Balder states:

*“I think the good thing is that you always feel you're not alone. [...] If we take a risk, we do it together. That's a nice feeling to have that. We are a team at that level”.*

The sense of solidarity is also task related, as for example Frederik explains with regards to the dynamics at KnowledgeWorker:

*“Each Monday we have the meeting. Before the meeting, we have a standard agenda that everybody has to stand up and say: ‘Okay, what have I done last week’, and ‘what I'm going to do this week’. ‘Do I have any impediments?’. ‘Do I need help to solve some of my tasks?’. ‘Do I have any issues we need to talk about?’. So, everybody does that”.*

What can also be understood here is that individual members are capable of asking for and receiving help. An individual struggle becomes an issue that is shared with others. This idea of common goals and solidarity, and the belief in equality, communication and the cooperative way seems essential. As Frederik further explains:

*“I think you have to believe in it and believe [sic] it's a good way to do it and believe [that] maybe we're here now but together we can actually move up faster, stronger, together”.*

#### **4.3.2. Involvement with the local community**

Another aspect mentioned by workers at KBHs Cykelkooperativ is the embeddedness within the local community. The solidarity mentioned previously not only guides their internal mechanisms, but also their interactions with the outside world. As Peter explains:

*“When we talked about starting this cooperative, we also talked a lot about being a part of the local community. Because a lot of us live here and know the local community very well, and I'm raised in this area. So... And the idea of trying to give values back to the local community, not necessarily in terms of money, but maybe also in a way of resources.*

*For example, we've been part of making different kinds of events in this area, at Blågårds Plads, from time to time, so yeah, that's also a part of it".*

Peter underlines how interconnected the cooperative is with its neighborhood, and how the idea of 'giving back' something to the neighborhood is an explicit goal of the cooperative. This is also underlined by Mads:

*"We, in the bicycle shop, have been very much helping out if there's, for example, in this street, Blågårdsgade and Blågårds Plads... If there has been a festival or whatever, we have been some of them that are helping out and we've always helped out the kids. And in the community, and also the park nearby, where a lot of people live on the street, and they live by collecting bottles, for example. And we have helped them with free tools and stuff like that".*

Brian also elaborates on the involvement of the cooperative with the local community as follows:

*"We've done some things where we are... There's been a small festival done at the square, Blågårds Plads, where we have helped LOGIK & Co., the big company that helped us start up... We had like a bike race for the kids of the neighborhood, where we had like a bike stand where people could come, and we would help them fix their bikes. [...] It's more like a social, local stuff".*

What can be seen here is that this sense of solidarity and camaraderie extends beyond the members of the cooperative to include the neighborhood.

#### **4.4. High levels of worker engagement**

In this section the researchers present data regarding the high levels of worker engagement that the members and the apprentice of KBHs Cykelkooperativ have repeatedly highlighted. All the respondents agree with the benefits that the absence of a boss generates for them. Most of them elaborate on the learning opportunities resulting from this, the shared responsibility that each of the members embraces, as well as a sentiment of freedom, self-confidence and safety at work.

##### **4.4.1. Well-being**

According to Emma, the presence of a boss generally prevents employees from performing at their best potential. She refers to a general tension and a feeling of fear towards the boss as something common to most workplaces:

*“Not having a boss is super relaxing. It feels like you're very more like friends at work. And there's just nothing tense about it. Because I feel that at my old jobs, when the boss came... Like, ‘is everything alright?!’ [she laughs], making sure that everything was okay, cause you're going to get in trouble or something, which is a weird thing to have. At a workplace, you should feel safe and calm. And you shouldn't be scared of anybody at your workplace. It's super weird to be scared at somebody. It shouldn't be an acceptable thing”.*

This argument is further developed by Emma when talking about how it is to work at KBH Cykelkooperativ:

*“I was very surprised by how the working [sic] here was. So, I think because we're so equal between the law, it's very... How would you say?... It's a very nice and calm place to work at”.*

Emma argues that the presence of a boss prevents people from being confident and comfortable, in turn, highlighting the positive and safe atmosphere that the lack of a manager generates. For Peter, the trust among co-workers is also crucial for the functioning and the well-being of the members of the cooperative:

*“This way of trust, as we have a lot, I think it's really nice because then you feel more confident and relaxed about going to work, which is good”.*

Similarly, Emma also links the trust at the workplace with a sentiment of feeling safe and relaxed at work. This, subsequently, allows her to fully focus on the job and to perform at her best:

*“I feel like I can really relax here, and I can just focus on the job. Yeah. Which is... It sounds like a small thing, but it's really a big thing. And you can, actually, just fully focus on your job. And you know... you trust your colleagues to have your back and be there for you”.*

#### **4.4.2. Learning opportunities**

The absence of a boss is seen by Mads not only as a generator of a better working environment, but also as a great learning opportunity:

*“When you have a boss, you're not that worried about the store to some extent. You just go to work. And down here I've been much more into the process about how's the shop going, and it's not just been like I had to learn how to repair bicycles. I had to learn a bunch of stuff: order bicycles, talk to customers, talk to people where we buy our tools and equipment and whatever. And I have a much deeper insight into the economy, also*

*just basic economy. How does economy work in a business? I didn't give a shit before, you know, like, I just went to work, got off work, that was it”.*

Mads explains how the absence of a single boss forced him to learn about many aspects of the business, beyond merely repairing bikes. In other words, Mads argues that when there is a single individual in charge, the rest of the employees simply focus on the few tasks related to their position (i.e. to repair bikes), without caring about the rest. However, when everyone has the same influence and mandate, people are automatically empowered and encouraged to experience different aspects of the business. This is regarded by Mads as a tool for personal and professional self-realization, resulting in work satisfaction and fulfilment:

*“So, I learned so much from all of this. I thought about it a couple of days ago. [...] Whatever happens with this shop and whatever happens to me, I will always be able to look back at this experience and tell myself I didn't just learn how to become a bicycle mechanic, I also learned a lot about businesses”.*

These growth opportunities as a professional and person were also spurred on by Mads' colleagues, who engaged him actively:

*“And then, also in the beginning, we also had, like... Just personalities. I'm not ‘the guy’ being loud and yelling. Some of the other guys are more like this, so sometimes they had to say to me ‘you have to say something’. And sometimes I would say like ‘okay, now you need to listen to me’, also, you know, and which is also a learning process, both for them and for me”.*

Here, Mads explains how his colleagues pushed and encouraged him to speak up during the regular meetings, when they perceived that due to his introvert character, he was not actively participating and sharing his opinions.

Frederik elaborates on an example of how cooperatives embrace the learning and development of their members, so that better decisions can be made:

*“That's one of the most important cooperative principles, that everybody has to be able to learn all the time. And if we have a General Assembly with the owners that come, then it doesn't work that the owners are not able to understand the finances. Then, we need to teach them how to read it, because otherwise they're not able to make the right decisions with their own money”.*

Finally, the cooperative also embraces learning through a more formalized and explicit education, as explained by Mads:



*“Also, it’s a big value for us to educate people. That’s nice to be able to say that. Since we’ve been here four years, two people down here have got an education and we are on the process of making one more educated”.*

#### **4.4.3. Organizational belonging**

For Mads, the fact that KBHs Cykelkooperativ is perceived by its members as their ‘own’ business contributes to a higher worker engagement:

*“Down here, because it was our own [business] and because we were together, [...] you need to be more focused and you need to be more into this project, instead of just working and learning how to repair bikes”.*

This concurs with what Frederik explains:

*“I think because you have the ownership of the company, and because you have to possibility to own the ideas, the products and the direction, then you engage yourself much more in this. Because it’s actually something that touches your heart, it’s just not work anymore. It’s also... You also work for your purpose”.*

For Frederik, the cooperative way of organizing, in which the workers are the owners of the enterprise, provides the employees with higher degrees of engagement as it becomes more than a simple occupation. Instead, personal purpose and values drive the workers. This allows the employees and owners to move forward in their own development and influence the direction the organization takes. This also encourages the employees to take responsibility, which eventually is translated into a better organizational performance. In short, in a cooperative *“you’re more engaged in your work in a personal way”*, as Frederik states.

This is aligned with Emma’s view on the same issue. She explains that people in conventional organizations tend to not engage to the same degree, resulting in people not taking responsibility and not having a strong attachment to the workplace they belong to:

*“I feel that when there’s like a boss, it’s almost, like... You just, like, push it away from you. Because you don’t feel the responsibility, because there’s always someone else who’s going to take care of it. So, I also feel like people don’t live up to their full potential in a work environment. Because there is a boss. And that’s very different from here”.*

Subsequently, she states that:

*“I’ve been very frustrated at my old workplaces that people don’t take responsibility, because they’re like: ‘Okay, somebody other than me is going to take the responsibility’, or even the boss or something like that. And I think it’s very annoying [she laughs]”.*

In her view, people do not take enough responsibility when there is a boss, expecting others to do the job.

#### **4.4.4. Entrusted responsibility**

According to Peter, trust plays a central role in the cooperative life: *“A lot of our structure depends of trust, actually, because we know each other really well”*. Peter argues that this trust amongst co-workers leads to greater confidence. By trusting one another, individuals become less afraid of making mistakes or taking the wrong decisions. This in turn encourages workers to take greater responsibility, as he explains:

*“[Trust] it contributes in a really nice way that you don't feel... you don't get guilty if you take [sic] a decision. Or you don't feel guilty about something that maybe you took [sic] a decision about something and it turns out it didn't work so well or was not a good decision to make or something like that. Then nobody blames you for doing that, which gives you the freedom and the confidence to take [sic] some decisions in the daily life, I think”*.

When asked about how trust is established in the cooperative, Brian explains that this is done by showing commitment and proving it through one's work:

*“I mean, for us, I think it started from working together. And, yeah, like, proving to each other that we're worthy of each other's trust. That we can work 60 hours a week when we opened the place, and everybody does their best to get the job done and get the shop up and running. So, I think, that fits into the like... The responsibility thing that you have to have. Like, some way to prove that you're worth trusting, I guess. So, but in order to do that, you have to have some responsibility”*.

Therefore, responsibility is seen as a prior step to developing trust. From Brian's statement it can be understood that at KBHs Cykelkooperativ everyone is encouraged to take responsibility and to show that one is able to get the job done. This is indeed the way of gaining each other's trust. Similarly, Brian explains how he trusts others to fulfil their responsibilities and duties:

*“Just that everybody comes to work to get the job done. And you trust the other guys to get their part”*.

To sum up, this section presents the high work engagement that characterizes KBHs Cykelkooperativ. This greater engagement is attributed to an interconnection of different factors. The absence of a single boss in the cooperative seems to be the main driver of such worker engagement. This appears to eliminate tensions that generally obstruct the

well-being and performance of the workers. This, together with a greater sentiment of organizational belonging, encourages the employees to take more responsibility. Responsibility is seen as a tool for gaining each other's trust and, simultaneously, results in learning opportunities for those employees continuously taking action in different aspects of the cooperative. For all these reasons, Peter not only highlights the benefits that the cooperative structure brings to the working environment, but also concludes that cooperatives are a better way of organizing one's life:

*"I think it's a really good way to organize your life. And I really think it makes sense. So, and I think there's a lot of people that are unhappy about the way they work, because they don't like the boss. So, they don't like the structure and they don't feel good. Maybe they like the small professional stuff about it, and then maybe they don't like structure. I think a lot of people feels like that. So, in that way, I think many people would be happier with a cooperative structure. That's at least my point of view".*

## **4.5. Diversity perceptions and understandings**

### **4.5.1. Sexism**

During the interview, Emma expressed the sexism that she experiences often times at the store from customers: *"I think sometimes, because, I am a woman I do experience a lot of sexism on a daily basis from customers"*. It is important to notice here that, as reassured by Emma, the sexism that she claims to suffer from never came from her colleagues at KBHs Cykelkooperativ, but rather from sporadic customers:

*"At my old workplaces I also tried [experienced] it from colleagues, which is so annoying, because you feel like you're in a safe space and then colleagues try something. But, yeah, at least here it's not from the colleagues, which is really nice. But, yeah, you do experience it with the clients all the time".*

Emma explains and exemplifies some of the sexist attitudes that she often has to confront from customers:

*"It's not, like, the big things all the time. Because sometimes you experience people actually saying to you that they don't want service from you, because you are a woman. But it's also, like, small things. Like, people flirting with you while you're at the workplace, not being professional".*

The first example reinforces the argument that women are generally underrepresented in the bike mechanic industry and that is generally associated with a 'male' occupation, as Emma explains:

*“I didn't know, when I was in public school, that I could be a bike mechanic. I just felt like that was for the boys. So, I know there's a group of women who are actually mechanics that go up to the schools now and they talk about it. They are very cool. But I didn't have that when I was in school”.*

Emma also elaborates on the negative impact that such sexist attitudes that she confronts on a regular basis have on her worker performance:

*“It's just annoying. It just distracts you from your work, which is why you're here. You just come to learn and that's the only thing you want to do. And then you have to deal with being sexualized”.*

When asked about how she and her colleagues address these situations, she initially acknowledged that it is sometimes difficult for her to be the only woman in the cooperative and the only one experiencing sexist attitudes. However, she also shares that she feels supported, listened and understood by her colleagues and that these are always willing to listen to her:

*“I think, sometimes, it's hard for men to understand, because they have never tried [experienced] it. But I don't know, I think they at least try to understand it. But it's difficult always when you're the only woman in the workplace and you do experience sexism all the time. [...] And I think they are trying to understand. But it's difficult. Cause, as a man, you never really tried on an everyday basis. You might have tried it like a few times, but like trying it every day, every hour. So, I think they are trying to understand it and I think that's also with having a lot of conversations about everyday sexism, how that works. They are very 'still' in the conversations [she laughs], because they are just trying to listen. But it's nice that they are at least listening”.*

In fact, she explains how differently she addresses these situations at KBHs Cykelkooperativ in comparison with other workplaces she previously worked at:

*“I would say it's very important here. I didn't really talk about it at my old workplace, because I think I was there to pay the rent... To get my money and pay the rent. And I was happy that I had some nice colleagues, but I never talked with them about what I experienced. I mean, all my female colleagues talked to me about it, because they knew I was a feminist. And they were like 'okay, I can tell her this'. But I never really talked with them about it, because it's something like... You kind of get, like... They put you in this box as this 'angry feminist'”.*

From this statement, it can be inferred that she did not feel comfortable enough to address these issues at her former workplaces because she was preoccupied that people could brand her as an ‘angry feminist’. This differs from how she currently feels at KBHs

Cykelkooperativ, where the strong culture of communication and openness results in a safe space for discussion. Furthermore, her occupation at her old workplace seemingly responded to a mere need of having a job to pay the bills, whereas at KBHs Cykelkooperativ responds more to her passion for bikes, as she explains:

*“I [had] just ended a short apprenticeship at another bike store, very short. And I was looking for another place, because I really wanted to continue this path with the bikes”.*

In addition, her willingness to join KBHs Cykelkooperativ appears to be motivated by an alignment with the democratic and social values that characterize the cooperatives, as she says: *“I was willing to give money up for being part of the cooperative. Really”*. Hence, her engagement at the cooperative and connection with her colleagues appears to be stronger.

Therefore, it appears that the culture of communication that characterizes KBHs Cykelkooperativ, together with the democratic and social values that all the members seem to share, regardless of potential differences in opinions, creates a safe space where Emma feels confident and free to discuss the issues previously described. In fact, she states that in the cooperative there has been many discussions with topics such as sexism, the International Women’s Day, sexual abuses, etc.:

*“I think it's been very nice. I think sometimes it's hard for them to hear it. Because maybe the other women in their lives don't say it as much, I don't know. But I think that they deal quite nice with it. And they talk with me about it. But it's not something that fills the whole day. But sometimes we have discussions about it. Because also here, when there was the International Women's Day, there's a lot of discussions... And with the whole Michael Jackson's case, and there's some discussions about sexual abuse and stuff. So, I think it's actually a very big change. And I think... I don't know if it's because they're a cooperative or just because they've been very politically active their whole lives. But they just... You know? A lot of stuff. And we have some nice discussions”.*

#### **4.5.2. No diversity strategy – but an awareness of structural inequalities**

With regards to diversity or its implementation, the evidence shows that no overarching strategy or diversity goal has been implemented by KBHs Cykelkooperativ. As Peter admits *“Yeah, so actually, it's not much what we've been doing”*. However, that is not the end of the topic in itself. As the interviews progressed, it became evident that the respondents were aware of themes related to diversity and had developed their own

rationales and actions related to the topic. As Peter explained later on, for example, the hiring of Emma was to a degree motivated by the fact that she was a woman:

*“Yeah, well, we were looking for a new apprentice, first of all, and then she had been here working in short periods of two times, and we all liked her and also thought it would be nice to have a woman to... Yeah, because the men and women should have equal rights to work. So, that was part of it”.*

As can be understood here, the decision to hire Emma was not purely based on the fact that she was a woman. The hiring was not a part of a grander strategy to hire a certain minority, but the members of the cooperative were aware of the disparity between men and women in their industry. This can be seen in Brian’s statements too, whereby he explains that *“We were conscious about it... When picking the apprentice, that we weren’t gonna hire a guy. We were quite certain about it, yeah, mainly to mix it up a bit”*. Elaborating further, Mads reveals that active discussions had been held about the hiring of a woman:

*“We also talked about that it would be nice to have a girl. Because, yeah, we have all been just guys and it’s nice with some diversity in the people working together. And also, you don’t see that many girls taking these kinds of education, and she was good”.*

Here again, sharing the ideas expressed by Peter, one can see that the will to have a woman joining the cooperative was an important factor, but not the only determining one. The idea that the apprentice needed to be different to ‘mix it up a bit’ was important, but also to give a woman a chance within the industry, as you *“don’t see that many girls taking these kinds of education”*. This understanding of why she was hired is shared by Emma, who hints at the fact that without such a mindset, she would have struggled to find a job within this industry:

*“Then they also said that they wanted to support the women in the bike mechanic world, which I thought was quite nice, because I’ve been turned down by a lot of bike places. So, it’s nice to hear somebody saying that they want me because I was a woman”.*

When asked further about whether Emma believed she was turned down by other places because she was a woman, Emma replied:

*“It’s always hard to say... I don’t know a 100%. And it feels like... I remember feeling... When I said my name, or they heard my voice, it was like ‘you want an an apprenticeship here?’. Yeah, you can’t really say that it was because I was a woman... It felt like it was, it really did”.*

As Emma explains, her perception is that other bike stores may have dismissed her due to her gender. Elaborating further on this point, Emma explains the structural inequalities that lie within the industry and society at large. As she states:

*“It is very weird that people suddenly just don’t listen to your voice and they don’t take you seriously. And it’s not like you don’t have any good opinions. It’s just because the position you’re in, they don’t listen to you. And that’s, I think it’s very important that we all are equal, and that we all listen to each other and that ideas are being taken seriously. No matter what race you are, or sex you are. So, I think being equal is the main idea”.*

Finally, Emma concludes:

*“I think it is very important to be inclusive. It’s important that people can see it, no matter race or sex or whatever, even sexuality... You can have any position that you want, you can do whatever you want in life”.*

What can be understood here is that Emma, as she perceives it, has been denied a fair chance at other bike stores, and that in its globality, societies tend to entail implicit biases against minorities.

Despite the admission that no diversity strategy guides the small cooperative KBHs Cykelkooperativ, the interviews reveal an awareness of diversity issues within their industry, and an attempt to be inclusive. As Peter explains:

*“I mean, you can see it as a part of diversity... Not strategy, because we don’t have a strategy. But ideas of ‘diversity is good’. For example, with hiring Emma. I mean, being aware of [the fact that] men and women should have equal right to work and stuff like that”.*

Or as Brian states:

*“I’m quite sure that everybody you ask here has... Wants to be more inclusive. Yeah, but we don’t have it formalized”.*

As the analysis reveals, the cooperative does not have explicit goals with regards to diversity but has a wish to be more inclusive. This translated into the hiring of Emma as apprentice, but her gender was not the only determining factor. The other factors that influenced this decision will be elaborated in the following section.

#### **4.5.3. Diversity as differences in educational background and personalities**

While a tacit agreement existed that the apprentice should be a woman, it was not the only factor taken into consideration. As Brian explains:

*“Well yeah, she was here in ‘Praktik’... I don’t know the English word... But she was there for like a few weeks earlier, which weighted quite heavily that we had seen how she worked and met her and were able to get along with her”.*

Adding to this, Mads states:

*“She was down here and had like a week or so where she just worked out and she was good. Like, you know, she didn’t know anything, but she was good and wanted to work, and she had that ‘I want to do this’ kind of way, which was nice”.*

As one can see, the fact that Emma showed an enthusiasm and skills for the work was very important in deciding whether she should get the apprenticeship or not. But another aspect appears as well, namely her personality and background. Indeed, as Brian explains the decision:

*“It was a lot of small things, like seeing how she was around tools and seeing how we... Because it’s a very social place and if somebody has an off day, everybody feels it. So yeah, just seeing how she was as a person was also a factor”.*

While this might seem as minor point, the fact that the different individuals have to get along and be qualified before the hiring decision is seen as crucial. Indeed, as will be seen later, ‘diversity hiring’ based purely on the basis of belonging to a minority group was much criticized by the different respondents. When asked about her perception of what determined her hiring, Emma states:

*“They said to me that.... Because I asked them why they picked me. And, they said to me that they had a lot of friends that wanted... They know a lot of bike mechanics or people that want to be bike mechanics. I’ve met a lot of them, and they are really nice, but they said that they wanted something different. Because if it was just one of their friends, it was just going to stay the same. And they wanted something different in the cooperative, someone different with some different opinions and something different to say”.*

When synthesizing the responses, an underlying sensemaking emerges. While the will to include women in the workplace is a major factor, it is not the only one. The necessity for Emma to work well with the others on a personal level, be skilled with tools and show engagement, were all just as important. These can all be seen as classical hiring standards. However, where the difference can be made is in the appreciation of Emma’s different backgrounds based on her individuality, and not her belonging to a minority group. At no point did the other interviewees refer to Emma bringing more ‘female’ qualities or traits, for example. Their implicit goal seems to have been to offer a job to Emma based on the lack of opportunity for women within the industry and her individual qualities, and not the supposed qualities women hold as a group. Indeed, as Peter nuanced



*“I mean, we weren’t dependent on that of ‘it should be a woman’, but it would be nice if we could find a woman”*. The rationale seems to be that individual’s job opportunities are hindered by their group belonging and social categorization, and that such groups should be supported. The individuals within the disadvantaged group are, however, assessed based on their character and individuality, and not on the supposed qualities of their group belonging. This sentiment is expressed by Peter, who responds the following when asked about possible drawbacks to a diverse workforce:

*“I don’t really see any drawbacks with having a diverse workforce, actually. [...] I think a lot of people talk about conflicts that arise because of the diversity policy but could also arise with a non-diversity working force, actually. So, I don’t believe that idea that you will have more conflicts with people of different cultures, for example, than you would with people of the same culture. So, in that way, I don’t see any drawbacks actually with a diverse working force. I mean, people can always find a way of having a conflict if they want to. A lot of people want to, I think, which is quite present in the media and stuff like that. But I can’t see them actually. And then, again, it’s a really good thing to have a diverse workforce, because the people who get involved gain some privileges in a way that they maybe didn’t have”*.

This rationale is present at LOGIK & Co. as well, that explicitly hires minorities and individuals from disadvantaged groups, as Balder explains:

*“I just see people. Good, bad people. That’s it. Color, religion... I one time said to a newspaper, and they put it out for many years... I said: ‘You should be a very bad employer if you cannot use people like they are. What they are eating, what clothes they have on, who they go to bed with and what gender they have, it should be out of your mind, because it cannot reach for anything’. If they can use a hammer and a tool, you should be able to make money out of it”*.

As one can see, the idea that minorities carry some intrinsic different values compared to other groups is not adopted. Instead, the people working at KBHs Cykelkooperativ and Balder seem to value diversity in individual backgrounds. As Brian elaborates on this rationale:

*“I don’t think you can say that, excluding the apprentice [...] that we’re a very diverse group: We are all the same age, we are all white, we are all men. But I think just in that group, we come from quite different backgrounds and have different focuses and interests. And I think that has benefited this company quite a lot or, like this community [...] Yeah, I think that this idea can be spread out, to be quite important that if you have*

*come from different backgrounds, you bring a different tool back. So yeah, I think that it's just healthy to be with people different from yourself".*

Finally, as seen previously, disagreements between people are dealt with through the open and continuous communication, creating a positive atmosphere for exchange and learning. As Emma states:

*"I think we all have a lot of different opinions about life and about politics. I know that I have a lot of different opinions than them. But I think that the thing is, even if you have different opinions, and you're still respectful, you can still have nice conversations in a very positive way. And it's okay to not have the same opinions, which I've experienced at other places that it's not".*

As can be understood, diverse backgrounds that different individuals can bring to the cooperative are seen as a benefit. The culture of communication means that different opinions are not only tolerated but embraced.

In sum, the decision to hire Emma was based on multiple reasons, all tied to a positive outlook on diversity. They aimed at helping a minority underrepresented in the industry, namely women. Tied to this was the will to have someone with a different background and opinions, that could enrich their ways of thinking and debates. However, they do not view such differences as caused by given socio-demographic traits, but rather as a variance from individual to individual.

#### **4.5.4. 'Normalization' of diversity**

All interviewees have portrayed a shared positive view on diversity. Some of the interviewees' understandings on diversity are strictly linked to and influenced by the way their local community looks like. For instance, Peter refers to the neighborhood of Nørrebro as inherently diverse:

*"I really appreciate the diversity in this area, which I think it contributes with a lot of really nice things. And I also think about it and we also do as a collective. So, to say... Diversity as a good thing and try to not see it like in the main political scene. I mean, diversity is talked about as a really bad thing. And there's a quite racial, racist policy that they have. I think we all agree about that. So, we also try to remove ourselves from that point of view".*

Similarly, Mads also mentions the diversity that characterizes the community where KBHs Cykelkooperativ is embedded:

*“Here in Nørrebro there’s a lot of ethnic diversity, which I like. That’s why I live here. That’s why I work here. Because I like this kind of community. But at the same time, I don’t think of people whether it’s gender or ethnicity... Or what I look like or what they look like, or what they believe in and what I believe in or whatever”.*

Initially, almost unconsciously, both Peter and Mads link diversity with ethnicity. Peter refers to a main ‘racist’ atmosphere in the Danish political scene, from which he and his colleagues seem to be completely distanced from and in disagreement with. On his side, Mads also perceives that the neighborhood he lives and works in is diverse in terms of people with multiple ethnic backgrounds coexisting together. Subsequently, he downplays this fact by stating that, despite being aware of this ethnic diversity, he does not think about these socio-demographic differences.

The view on the ‘normalization’ of diversity becomes clear on Balder’s statement, when asked about the main values for LOGIK & Co. of having a diverse workforce, which reads as follows:

*“It’s a little bit difficult because [...] we are already there in our mindset, you know? First of all, we are from here, from this neighborhood. We are from Copenhagen, so we have lived in that diversity all our life. It has been the same city we were born into. That’s how it is. Life is looking like that”.*

Here, once again, the inherent diversity that was previously attached to Nørrebro by Peter and Mads becomes clear. Subsequently, Balder argues:

*“There’s all kinds of crazy people in this town and they fit together in some way. For example, in Nørrebro, where we have so many diversities and people have been together for many, many years. [...] So it’s kind of a Copenhagen thing we have. That’s a part of us and then we have maybe done it more clear [sic] for everybody that that’s and important part”.*

Once again, Balder reinforces the idea of the local community being intrinsically diverse and, therefore, that the tolerance and appreciation of diversity is almost innate to all the people embedded in the community. Finally, Balder concludes by saying that *“for me it’s just like the world should look like. I cannot see how to do it another way”*. This clearly represents how the diversity that characterizes the neighborhood of Nørrebro, in Copenhagen, and the attachment of the cooperative members in this specific area have resulted in an understanding of diversity as normal and common, rather than the exception. Indeed, Balder assures that himself, together with other companies, have brought this ‘normalization’ of diversity further, as it can be understood from the following statement:

*“Us and another companies we have made a new agenda to set that this is normal, this is new normal. Now you have to think about things like that's normal for company”.*

Thus, the data presented in the previous paragraphs shows that some of the interviewees promote a view of diversity as normal rather than odd, which resembles the community in which they are embedded in.

#### **4.5.5. ‘Diversity work matters for the people it concerns’**

The contributions made by Peter, from KBHs Cykelkooperativ, and Balder, from LOGIK & Co., reveal the following fact: that diversity matters for the people it concerns, but that it has little value or that it is of little matter to the customers. More concretely, when asked about the importance of diversity work, Peter responded the following:

*“Yeah. I'm sure it matters for the people it concerns. I mean, for us, it personally wouldn't make a big difference if Netto or Fakta have a good diversity policy or not. But for the ones that it involves I think it's important”.*

For Peter, the possible diversity strategies and policies developed by companies might not have a great impact on the business performance and the consumer behavior affecting those companies. Instead, the value of diversity work resides on the benefits and opportunities that the people involved can obtain and that, otherwise, would be inaccessible for them due to the existing structural inequalities. As he says:

*“It's a really good thing to have a diverse workforce, because the people who get involved gain some privileges in a way that they maybe didn't have. [...] I think, again, that for the people it involves, that some bigger parts of the working industry are open to people with less resources or privileges”.*

In the same line, Balder explains that, indeed, some of the workers at LOGIK & Co. are people that previously had not had a chance to enter the labor market for different reasons:

*“Somebody comes because they have no other chance in their life, they are on the way out of criminality, or out of drugs or out of something, and we just give them the chance that they never had before in their life. So, they have by coincidence met us and we take them in. The same with the students... There's so many people in this way and so there's a big mixed group”.*

In this regard, Balder reflects on the potential that his organization has in providing individuals with a job and, consequently, enable them to improve their lives. More concretely, he explains his role in providing people who have been previously in prison

with jobs, and how this can help to ‘re-socialize’ these people, bringing benefits to the individuals but also to society at large:

*“In the old days, when I was kid, the meaning of a prison was to re-socialize people. That was the official story. Today is pure punish. Now they have changed this kind of things. There was a time that people in Denmark believed that if we give people a chance for work and all this kind of thing, they will come back to a better life. And we have proved that. We have given a lot of people this chance with jobs, and this kind of stuff. But we are a small company. But we do what we could do”.*

The net result is that LOGIK & Co. is composed of a plethora of individuals with different backgrounds, *“We have a lot of immigrants here, we have a lot of female workers, we also have homosexual workers and things like that”*. However, when asked about what drives LOGIK & Co’s customers to opt for their services, Balder clearly states that the diversity of its workforce is indeed a minor issue. In fact, he estimates that about less than 5% of the business is requested due to their engagement in diversity work or ‘inclusionary’ policies:

*“Most of it it’s because we are price competitive and comparative quality. Because they get a high quality, so that’s the biggest group. Yeah, I think 60% is pure competition. [...] And then 5% is some social part of... They [customers] say: ‘Hey, if I use my money, I can use it on a cooperative, I don’t want to pay anybody’s BMW or swimming pool or whatever. But actually, I think that’s the biggest group [5%] that use their money to change the world”.*

Balder further elaborates on the little impact that diversity has on the actual demand of the business:

*“[Customers] they buy a bathroom or a roof [...] and then they want a good price and they want a good quality. [...] For sure, they think about this if some farmer workers from Poland coming up [sic] and get 20 DKK/hour and get cheated like slaves. They don’t like that. Then they would stop. [...] As long as you have a good dialogue [...] that’s most important thing”.*

In the same matter, Frederik, referring to other consultancy companies in the field, argues that *“we all do business in the same market. So, its price and quality”*. This is aligned with Peter’s view on the same issue. Diversity is important for the people concerned by the diversity work, as it opens up new opportunities for people that historically have experienced difficulties to access the labor market. However, according to Frederik and Balder, what drives most customers to request the services or products of a particular

business is not the social aspect, but rather the perceived quality and price competitiveness by the customers.

Still, due to the positive effect that diversity work can have on those people involved by the diversity policies, Peter and Balder reflect on the importance of this type of work in organizations. As Balder says: *“There should be place to everybody, also them”*.

#### **4.5.6. When diversity work does not matter: Diversity as a branding tool**

As it has been shown, on the one hand, diversity is embraced and referred to as a positive by all the interviewees. On the other hand, the interviewees share a general critical opinion with regards to how diversity work is often times implemented in conventional firms. In this regard, Peter argues that:

*“Many big companies who have diversity strategies, I think they have shortcomings in the way that... A lot of it is marketing, I think, and a business strategy. And, and I think it's... I don't really like that idea of that a social problem is a part of a way to make more money. At least not for the people who has a lot of money anyway. So, I think there are some problems with it”*.

Peter herein questions the motivations that firms may have when implementing diversity strategies. According to him, many organizations apply diversity strategies and policies in order project a positive image to the outside for their own benefit. Thus, he criticizes that many organizations are trying to take advantage of a societal problem, in an attempt to convert it into a profitable business opportunity. Subsequently, he states:

*“But I think, again, [...] that some bigger parts of the working industry are open to people with less resources or privileges. Is that a good thing? So... I think it goes both ways”*.

Thus, Peter reflects the two sides of the same issue: On the one hand, he sees that diversity work can provide disadvantaged groups with greater opportunities. On the other hand, he argues that diversity work is generally implemented not for the benefit of disadvantaged groups, but rather for the benefit of the company's profitability.

Brian and Mads, despite not having shared such a strong opinion, also express an ambivalent view on the issue. For example, Brian is skeptical towards how diversity work is implemented by most organizations:

*“I think some of it can smell a bit like... Just having hired a single minority fixes the problem, so... So, I think it depends a lot on how you do it. I think, of course, it's nice. It's*

*a bit more public. And it gets some talk, but I think, yeah... Yeah, it's tough. I think it's a tough question".*

Similarly, Mads questions the real purpose of diversity initiatives:

*"It sounds good. But does it work this way, in practice? You know... Is it what they're doing? Because, of course, it sounds good. [...] Sometimes there's also like a... 'We would just do this because it looks good on paper', you know, and then it's not working out actually and it's not helping these people that are getting a job".*

On her side, Emma shares a strong opinion on this matter, condemning the diversity work done as a branding tool:

*"Yeah, of course, it's very important. [...]. We should always be included. But I think it's very tough because sometimes it's like... Workplaces are hunting after a woman or a person of color, or person who's disabled just so they can be inclusive, which I feel it's very annoying as well".*

Here, Emma criticizes those organizations that, in her view, attempt to hire worker minorities with the single purpose of promoting themselves as an inclusive workplace. In this regard, she argues that *"it's becoming like a branding thing to have diversity"*.

The general criticism towards diversity work that prevails at KBHs Cykelkooperativ's workforce is shared to a degree by Balder:

*"Now that they found out that we need handcraft, so now they go out public and make campaigns for having women to be to be craftsman, you know? And we have done that for 25 years. Then I am a little bit... 'Okay, maybe you should have think [sic] about it before and do something more about it'".*

Balder finds it positive that companies are engaging in diversity work. However, he equally criticizes how and why diversity work implemented by conventional firms:

*"I think just what we discussed is good. But you also have to see why is [\*\*\*], one of the biggest diversity players on the market... Because they need cheap labor, and very often you find the cheap labor in this kind of diversity groups. [...] So, I think it's nice that they do it, but that's not why you do it. They should say: 'Hey, it's because they are the cheapest labor, so that's why'".*

Once again, this quote projects an ambivalent view on diversity work. Balder opines that the implementation of diversity initiatives in general is important and positive, but he also claims that there is a lack of transparency on the reasons why most organizations engage in this type of work.

## 5. Discussion

The observed characteristics and dynamics within KBHs Cykelkooperativ show an overlap with the previously shown literature on cooperatives. KBHs Cykelkooperativ takes the form of a worker-recuperated company (WRC). The cooperative was founded after the previously privately-owned bike shop closed down, resulting in the employees losing their jobs. As it has been shown, all the members of KBHs Cykelkooperativ agreed to a structure that pursues a democratic approach to management with no personal ownership, while dodging the figure of a single boss. All this corresponds with the depiction of WRCs made by Azzellini (2018) and Atzeni and Vieta (2014).

The findings have shown that, although economic viability is important, the main focus at KBHs Cykelkooperativ resides on the well-being of its members. The ultimate goal of the cooperative is thus the creation of a workplace driven by equality, democracy, solidarity and responsibility, to the detriment of a profit-maximization rationale. This is again in concordance with Azzellini's depiction of WRCs. Yet, this is not an exclusive characteristic of WRCs, and it can be attributed to cooperatives in a broader sense, as defended by Webb and Cheney (2014). In fact, it has been proven that the focus on the employees' well-being, linked to democratic values, is also essential at LOGIK & Co. and KnowledgeWorker. The three cooperatives that contributed to this research are not only driven by financial rationales, but also by strong social and moral values, in line with Borzaga et al. (2009).

One representation of these values is the establishment of an equal salary for the cooperative members, which supports Bretos and Marcuello's (2017) conclusion on the ambition of cooperatives to fight income inequalities. In fact, all employees at KBHs Cykelkooperativ and LOGIK & Co. obtain the same salary, regardless of the position they occupy. This results in an overarching feeling of equality, in which no particular role is more important than the other. Similarly, employee participation and a collective approach to decision making are a central aspect of KBHs Cykelkooperativ. This is embraced through regular monthly meetings. Furthermore, it has been shown the potential that such a collective approach has on generating learning opportunities for the cooperative workers, which was especially stressed by Mads. All this is aligned with Azzellini's contributions to the research on cooperatives.

To sum up, the case company studied in the present paper (i.e. KBHs Cykelkooperativ) corresponds with the literature on cooperatives. Many of the aspects



that characterize the *modus operandi* within KBHs Cykelkooperativ are further supported by the contributions made by Balder and Frederik. This strengthens the interest of the researchers in inquiring diversity work within the cooperative organizational context. In fact, the researchers argue that the findings presented in this paper have important implications for further theorizations on diversity and inclusion, which will be discussed in the following paragraphs.

The previously presented rationales on diversity within KBHs Cykelkooperativ show parallels with some of the historical perspectives on diversity introduced by Nkomo and Hoobler (2014). In fact, Emma's hiring process seems to respond to a middle point between the EEO and the AA approaches to diversity.

The members of KBHs Cykelkooperativ show an 'openness to everyone' characteristic to the EEO rationale. While they agreed that it would be preferable to recruit a woman, they were not dependent on this. Indeed, in line with the EEO paradigm, the cooperative members do not hold an essentialist view on diversity that categorizes people based on socio-demographic attributes. On the contrary, they seem to simply 'see people'. This leads them to view diversity as something 'normal', that only represents how life around the cooperative, namely the neighborhood of Nørrebro, already is: a diverse melting pot. This sense-making process is also the view subscribed to at LOGIK & Co. However, they combine this open and uncategorical view on diversity with an awareness of structural inequalities that exist in society. Unlike EEO therefore, they recognize that socio-demographic traits do actually matter when it comes to implicit biases against minorities, as exemplified by Peter when he refers to the current political discourse as 'racist'. Simply stating that everyone is welcome will not adjust inequalities in itself, and it is thus not sufficient.

It is here where certain aspects of the AA approach emerge, whereby minorities are specifically brought forward to counteract discrimination. Emma's hiring was to some extent driven by the preference to employ a woman, based on the inequalities between men and women in the bike-mechanic industry. However, at KBHs Cykelkooperativ there is no formalized goal to hire a certain quota of minorities, unlike AA practices. The net result is that the cooperative enacts diversity as a conceptual middle ground between EEO and AA. On the one hand, everyone is welcomed, and socio-demographic traits are not seen as determinants of capabilities and work-related skills. On the other hand, based on an awareness of structural biases against certain minorities, the cooperative has a

preference to support groups that generally do not have the same opportunities and access to work. This is equally seen at LOGIK & Co.

In line with this, the analysis shows that the interviewees do regard diversity work as important. They adhere to the idea that diversity management, as practiced by larger corporations, grants opportunities to minorities that would otherwise not be available to them. However, many of the respondents view this kind of work as a double-edged sword. While the opportunities for minorities are viewed as favorable, many question the underlying motivations for such initiatives. As seen with Mads, questions arise as to whether such management practices actually help minorities. Furthermore, many see this new phenomenon as an opportunistic attempt to capitalize on the positive image 'diversity' entails. The criticism levied is that diversity work has become a branding tool for companies, more than a tool for genuine social change. In sum, as Peter stated, diversity management is a way for companies to profit of a social issue.

Peter's criticism to the way diversity initiatives are generally implemented also reflects the 'tragedy of the workforce diversity', introduced by Jonsen et al. (2013). This concept is an attempt to raise awareness on the positive impact that the inclusion of minorities can have on society at large. Diversity work, however, most frequently takes the form of a strategic choice that responds to a business rationale, detached from its potential positive impact on society. The members of KBHs Cykelkooperativ do not formally embrace diversity nor promote themselves as a diverse workforce. Nevertheless, when presented with the opportunity of hiring someone new, they choose to support a woman, whom they see as being underrepresented in their industry. In this sense, the researchers argue that this decision does not respond to a strategic or business choice for the benefit of the cooperative. It rather responds to a social purpose that recognizes the benefits that such opportunities bring to minorities and to society.

Another implication for diversity management derived from the findings is the way that the members of KBHs Cykelkooperativ tacitly make sense of the business case for diversity. As described by Holck et al. (2016), the business case for diversity often takes an essentialist view, whereby the socio-demographic traits carry intrinsic differences that, when brought together correctly, can generate a competitive advantage for companies. However, at KBHs Cykelkooperativ the value of diversity is not correlated to socio-demographic traits, but rather to the unobservable traits such as upbringing, education, personality and behavior.

This is exemplified by the hiring of Emma. Being a woman was indeed an important factor, as the cooperative members had the will to support women in the industry. This relates to the value that diversity work has ‘on the people it concerns’ beyond the organizational boundaries, as expressed by Peter, and resembles the AA approach. Simultaneously, the value for KBHs Cykelkooperativ lies in Emma’s individuality as her working skills, ambitions and opinions are believed to foster more debates and viewpoints beneficial to the company. The personal toolkit that Emma brings is, however, viewed as detached from her socio-demographic attributes. The fact that she is a woman does not qualify her more or less as a professional. It is her personal and professional fit that makes her qualified for the position and that brings value to the company. Yet, the fact that she is a woman is seen in the cooperative as an extra incentive because it represents a step to fight against the structural inequalities that exist in industry.

As previously discussed, a mixture of different rationales and sense-making are present at the cooperative, intertwining concepts from AA, EEO and diversity management. However, with regards to its actual functioning, KBH Cykelkooperativ follows the fourth and most recent perspective on diversity, namely inclusion (Nkomo & Hobbler, 2014). In fact, the small cooperative operates in a way that parallels the conceptual framework established by Pless and Maak (2004) for how inclusion can be achieved in organizations.

Pless and Maak (2004) argue that in order to fully harvest the benefits of diversity, an organization needs to establish a culture of inclusion. This culture of inclusion is based on several pillars: reciprocal understanding, mutual enabling, trust, and integrity. As previously seen, at KBH Cykelkooperativ, many of these aspects are fundamental to its functioning. The ‘reciprocal understanding’, whereby an openness to differing opinions and discussions are encouraged to gain new learnings, is not only present but sought after at the cooperative. Interviewees express on several occasions how discussions are encouraged, and how such discussions foster learning. The flat organizational structure and decision-making process mirrors the ‘mutual enabling’ that Pless and Maak (2004) propose. Indeed, the democratic framework where everyone can participate and is encouraged to do so, has led a consensus democracy that allows the workers to create a common approach to problem solving. Finally, as expressed throughout the interviews, trust is an essential ingredient for the workers. As Brian and Peter expressed, trust is indeed the cornerstone upon which the structure relies.

What transpires is that the culture of inclusion set forward by Pless and Maak (2004) is already present at the cooperative. More importantly, the mechanisms to create such a culture are fundamentally tied with the structure of the cooperative. Whereas Pless and Maak (2004) propose a framework and a sequence of steps that companies need to follow in order to achieve an inclusionary culture, such a culture of inclusion is inherent to the functioning of KBHs Cykelkooperativ. In short, the researchers argue that such a culture of inclusion is already built into the very nature of the cooperative.

Furthermore, the cooperative instills high worker engagement and well-being in a friendly environment. This also goes to the very core of inclusionary work, with its aim to allow all employees to participate productively and effectively in an amicable and beneficial way (Hanappi-Egger, 2012). The aforementioned ‘camaraderie’ and the pursuit of a ‘nice’ workplace have allowed for such a participation to be achieved. Finally, the cooperative, in its studied form, offers the type of non-discriminatory organizational structure that inclusion-scholars proffer. The democratic aspirations allow for equal participation among the workers, and the fact that everyone receives the same salary and mandate further strengthens the egalitarian structure.

In sum, this paper finds a combination of different diversity perspectives at KBH Cykelkooperativ. On the one hand, the cooperative is open to everyone, mirroring EEO practices. This is because members subscribe to the idea that the value of diversity is derived from individual differences in background, personalities and attitudes, and that socio-demographic attributes, such as race and gender, are irrelevant. This is their business case for diversity, which differs from how the business case is usually understood and implemented.

On the other hand, the cooperative also displays traits of AA, driven by the recognition of existing inequalities. Therefore, preference is given to minorities when assessing individuals. However, unlike the business case in traditional literature, this is not due to the possible benefit to the company such a hiring would produce. Indeed, hiring minorities simply for an organization’s benefit is criticized. The preference for minorities responds to the beneficial outcome society would garner from it. This, in turn, would counteract the above described ‘tragedy of workforce diversity’.

This intertwined approach is, however, not formalized into a corporate strategy or policy. Instead, the interviewees seem to share an internalized, tacit understanding of the above-mentioned aspects. Similarly, a culture of inclusion is equally internalized by the members and projected onto the cooperative structure and functioning. In fact,

unbeknownst to the members, this paper finds that the underlying goal of the cooperative is the very creation of a workplace based on a culture of inclusion.

The different historical perspectives on diversity, namely EEO, AA, diversity management and inclusion, have all been subjected to criticism by scholars. EEO and AA haven been considered as insufficient to resolve discrimination (Nkomo & Hoobler, 2014), while diversity management practices, and particularly the business case, have been criticized for taking essentialist views (Holck et al., 2016) and for trying to capitalize a societal issue (Jonsen et al., 2013). The paradigm of inclusion has also been questioned and referred to as a mere switch in terminology without relevant practical contributions (Jonsen et al., 2011). However, this paper finds that the cooperatives studied offer a new way of approaching diversity.

The aforementioned conceptual middle ground between EEO and AA offers an understanding of diversity in which people are seen both in terms of individuality and socio-demographic belonging, maintaining both the dignity and integrity of the individual, while recognizing that not all people have access to the same opportunities. Furthermore, the very nature of the cooperative entails an inclusionary culture characterized by a shared sense of egalitarianism, a culture of open communication, learning progression, solidarity and a feeling of safety that can help minorities overcome barriers that hinder their emancipation in the workplace.

In conclusion, the researchers argue that the cooperative set-up as studied therefore offers a fascinating alternative that could further the quest for social justice and contribute to more egalitarian workplaces.

## 6. Conclusion

During the last few decades, modern Western societies and economies have grown ever more diverse. This phenomenon has not been without challenges however, and academia, politics, business and civil society all have pondered about what these socio-economic changes mean and how to act upon them. Despite the multiple ongoing debates in this regard, minorities are still overrepresented in unemployment figures and low-skilled and paying jobs.

Diversity management studies and practices have developed various rationales throughout history that have brought different understandings about the challenges and solutions to the issue. However, one aspect that has not come under scrutiny is how diversity is understood and approached in alternative organizational contexts. Most studies are centered around classical corporate forms and a North American understanding of diversity. Aiming at bridging this gap in the literature, the researchers presented an empirical enquiry of the diversity approach present at KBHs Cykelkooperativ, a small cooperative based in Copenhagen, Denmark. The research was further supported by the contributions of two other cooperative leaders, one of them having remarkable experience working with minorities. For the purpose of this paper, the researchers conducted six semi-structured interviews. This generated valuable primary data, that was subsequently analyzed by using an interpretivist approach, focusing on the meanings given by the interviewees to the inquired phenomena.

The findings show that the cooperative members aspired to create a working environment grounded upon the principles of equality, democracy, open participation and solidarity. The egalitarianism at the cooperative is translated into a flat organizational structure, where all members receive the same mandate, salary and voice. Furthermore, all decisions are taken in unison and based on consensus. This in turn is related to a culture of communication present at the cooperative, whereby everyone is encouraged to share their point of view. Furthermore, the members of the cooperative share a strong sense of solidarity and friendship amongst one another, fostering trust and a sense of security. Finally, all of the previously mentioned aspects generate high levels of worker-engagement. The workers not only feel well about their work, but they also identify with the organization, the reliance and trust on one another and the learning opportunities such an organization creates.

The findings also show a unique understanding and approach to diversity. While the cooperative does not have an explicit diversity strategy, their underlying rationales on diversity led them to hire a woman. This decision was based on an awareness of structural inequalities in the industry, a belief in the value of individual differences as a benefit to the cooperative and an acknowledgement of the individual's skills. Finally, the interviews also uncovered the critical view held by many respondents on the way diversity management is undertaken in most corporations, and the belief that diversity should be accepted as the new norm.

The researchers conclude that the above presented understandings and perceptions on diversity represent an intertwining of distinct theorizations of diversity. The cooperative members enact traits of the EEO paradigm, by expressing that everyone should get a chance. This is justified by their view of every single individual bringing a unique toolkit that can be valuable for the cooperative. This individual toolkit, however, is not determined by the socio-demographic traits attributed by society to the individual, but rather by his or her background, experiences, personality and interests. This, therefore, reflects a non-essentialist business case for diversity that differs from how business cases are generally understood. Simultaneously the interviewees awareness of structural inequalities resembles the AA paradigm. In fact, it has been shown that the cooperative members had a preference to hire minorities, after agreeing on the personal and professional fit of the individual. This preference for minorities responds to a social purpose rather than to a strategic business choice.

Finally, the culture of inclusion, advocated by Pless and Maak (2004), that would lead to greater minority emancipation, was found to be inherent to KBH Cykelkooperativ. Indeed, the goal of creating a more democratic, inclusive and equal workplace that constitutes the culture of inclusion, define the very principles of the cooperative and are internalized and practiced on a daily basis. The researchers thus conclude that the cooperative, in its studied form, offers viable alternative for minorities to overcome the barriers that have restricted their participation and emancipatory aspirations in the workplace.

## **Future Research**

The previous paragraphs have described the main contributions of this paper to the literature. The findings presented, although tentative and not generalizable, do open up the research field for more investigations.

Indeed, while a single-case study was justifiably deployed in this research paper, other research designs should be used to shed further light on the relationship between cooperatives and diversity studies. An ethnographic study, for example, whereby a research team would plunge themselves into the daily life of a cooperative could uncover valuable insights into the day-to-day dynamics between individuals and its effects on the inclusionary culture or the underlying power dynamics. A comparative study could also compare and contrast diversity understandings and approaches, for example.

Similarly, cooperatives can take multiple organizational and legal forms and investigating them in different contexts could therefore present distinct features valuable to academia. Research papers studying how the ownership structure, industry in which they operate, or workforce-size can affect this culture of inclusion should therefore be undertaken.

For instance, at LOGIK & Co. the application of consensus democracy is simply unviable, due to its much larger workforce than the one seen at KBHs Cykelkooperativ. Hence, the application of democratic principles and mechanisms in larger cooperatives must be assessed and contrasted with those of smaller cooperatives. Another aspect worthy of attention is the reiterated absence of a boss and its highlighted benefits. Indeed, this aspect may be more nuanced at LOGIK & Co. and KnowledgeWorker. These cooperatives encompass the figure of a ‘daily leader’ and ‘director’, respectively. This, the researchers speculate, could result in a paradox in which an individual is designated as a boss, but at the same time he or she is not expected to command and lead the organization in the same way as managers in conventional firms. This ambiguous position a priori entails a certain degree of power over others. Thus, research must be undertaken to explore this phenomenon and the implications that this can have when applied to the diversity and inclusion paradigms.

This paper investigated a small cooperative with no explicit or formalized diversity goals, strategy or policies. Future researcher could therefore investigate the implementation of diversity initiatives in cooperatives that explicitly and formally enact specific diversity goals.



Finally, as with any single-case in-depth study on diversity, the conclusions reached are context specific. The studied cooperative and its members present a great attachment to the local community, namely the diverse and multicultural neighborhood of Nørrebro, in Copenhagen (Denmark). Further research beyond this regional and national context could therefore nuance the findings and contribute to more complete understanding of the cooperative-diversity research field.

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## Appendices

### Appendix A – Diversity streams of research: main characteristics and critiques

	CHARACTERISTICS	CRITIQUE
<b>DIVERSITY LITERATURE GROUNDED ON SIT</b>	<ul style="list-style-type: none"> <li>• Focus on demographic attributes, such as 'race' or gender</li> <li>• Business case for diversity as the most recurrent topic</li> <li>• Assumption that 'salient' diversity categories are fixed, stable, and analyzable; and therefore, barely changeable</li> </ul>	<ul style="list-style-type: none"> <li>• Single-category focus that overlooks the role of the intersections of multiple forms of difference</li> <li>• Absence of a sense of context</li> <li>• It disregards the dynamic nature of power and inequality relations</li> <li>• Can lead to oversimplification and stereotyping</li> </ul>
<b>CRITICAL PERSPECTIVE</b>	<ul style="list-style-type: none"> <li>• Emerging and situated, rather than pre-determined categories of diversity</li> <li>• Focus on de-essentializing the notion of diversity</li> <li>• Demographic categories and identities as socially constructed under constant redefinition</li> <li>• Influence of competing discourses and structures of power</li> <li>• Quest for social justice</li> <li>• Diversity management as a form of managerial control by defining minority employees within fixed, essential groups</li> </ul>	<ul style="list-style-type: none"> <li>• Over-focused on critique</li> <li>• Little attention to empirical work, which limits the development of practical tools and recommendations</li> </ul>
<b>POST-STRUCTURAL PERSPECTIVE</b>	<ul style="list-style-type: none"> <li>• Diversity as constructed by ideological intervention</li> <li>• Main objective: to unmask invisible power relations and to question structures of domination and subordination</li> <li>• Un-categorical approach</li> <li>• Diversity from a transgressive point of view</li> </ul>	<ul style="list-style-type: none"> <li>• Overemphasis on the 'fragility' of the self and its vulnerability to the power of discourse</li> </ul>

Sources: Adapted from Holck et al. (2016) and Villesèche et al. (2018)

## Appendix B – Interview guide

THEMES	QUESTIONS
<b>Vision and values</b>	<ol style="list-style-type: none"> <li>1) How would you describe the vision/goal of the cooperative? <ol style="list-style-type: none"> <li>a. Does it differ from other companies in your field? If so, in what ways?</li> </ol> </li> <li>2) Which are the core principles/values that guide the daily work at the cooperative? <ol style="list-style-type: none"> <li>a. Does it differ from other companies in your field? If so, in what ways?</li> </ol> </li> <li>3) What was your personal motivation to join this cooperative? <ol style="list-style-type: none"> <li>a. Do you have previous experience in other companies? <ol style="list-style-type: none"> <li>i. If yes, what motivated you to change? What did the cooperative offer that other could not?</li> <li>ii. If no, why did you choose to work in a cooperative organization rather than a more classical corporation?</li> </ol> </li> </ol> </li> </ol>
<b>Internal mechanisms and decision-making</b>	<ol style="list-style-type: none"> <li>4) How is the decision-making process within the cooperative? <ol style="list-style-type: none"> <li>a. How often are meetings held? How are these set-up (speaker, audience, time of day, etc.)?</li> </ol> </li> <li>5) How is the agenda for the meeting determined? Who gets to make proposals/offer ideas? <ol style="list-style-type: none"> <li>a. How is the hierarchy? Does everybody get to vote (and on all issues)?</li> <li>b. What happens if the votes are split and an agreement cannot be reached?</li> </ol> </li> <li>6) With regard to the hiring process, who decides on the candidates? <ol style="list-style-type: none"> <li>a. What are the hiring criteria?</li> </ol> </li> </ol>
<b>Conflict resolution and trust building</b>	<ol style="list-style-type: none"> <li>7) Have you experienced conflicts in this cooperative setting? <ol style="list-style-type: none"> <li>a. If you have, what was the source of the conflict(s)? <ol style="list-style-type: none"> <li>i. How was the conflict resolved?</li> <li>ii. Do you believe the cooperative settings contributed to the conflict or not?</li> </ol> </li> </ol> </li> </ol>



	<p>b. If you have not, do you think that the cooperative setting helps mitigate conflicts? And if so why or why not?</p> <p>8) Do you think trust is important in your work environment?</p> <p>a. If yes, in which ways is it established? And how does it contribute to your daily work?</p>
<b>Diversity</b>	<p>9) Do you have a diversity strategy and/or have you done any diversity work?</p> <p>10) How do you understand diversity in your local context?</p> <p>11) Do you think diversity work matters?</p> <p>a. If yes, why?</p> <p>b. If not, why?</p> <p>12) More work is done in the field of diversity in mainstream companies nowadays.</p> <p>a. Do you have an opinion regarding this trend?</p>
<b>Conclusion: main benefits and shortcomings</b>	<p>13) Which are the main benefits &amp; drawbacks of the cooperative?</p> <p>14) Which are the main benefits &amp; drawbacks of having a diverse workforce?</p> <p>15) What do you think the future holds with regard to cooperatives and diversity?</p>