

Designing a development model for consumer cooperatives in Iran

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Abstract

The aim of the present study is to design a development model for consumer cooperatives in Iran. The research method is applicable in terms of its purpose, and qualitative phenomenological in terms of its implementation method, and has inductive and deductive approaches. The statistical population includes 12 executive managers, members, and experts active in consumer cooperatives, selected by non-probability judgmental (purposive) sampling. The data collection tool includes semi-structured interviews. Data analysis was performed using MAXQDA 20 software. The results indicate that the development of consumer cooperatives is influenced by key components such as experienced and trained human resources, organizational development strategies, appropriate management structure, legal support, active participation of members, use of new technologies, and development of distribution and sales networks. Also, cultural components such as trust and cooperation between members play a facilitating role in development. Quantitative and qualitative indicators related to each component were also found to be effective in increasing productivity and achieving economic and social goals. Integration and coordination between components and indicators are crucial for achieving sustainable development of consumer cooperatives, and the use of this framework can be a practical guide for policymakers and managers in this field.

Keywords:

Development of consumer cooperatives, cooperative management, legal protection, technology and innovation, human and managerial resources

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Extended Abstract

Introduction

Cooperatives, as organizations with a democratic and participatory structure, play a fundamental role in the economic and social development of societies (Ribas et al, 2022). These institutions aim to integrate the economic and social interests of their members, providing a platform for promoting general welfare and reducing poverty (Joshi, 2024). Research findings indicate that cooperatives make a significant contribution to economic growth and social sustainability by creating job opportunities, strengthening entrepreneurship, and increasing social capital (Mitov et al., 2024). Promoting the sustainable development of cooperatives requires adopting systematic and innovative approaches that ensure the participation of all stakeholders in the decision-making process and program implementation. In this regard, the cooperative ecosystem model, as a new framework, emphasizes cooperation and synergy between members, the government and other institutions. This model can be used as an effective tool for policymakers to accelerate the transformation and strengthen the position of cooperatives in the national economy (Şavga, 2025). The focus of this approach on innovation in the fields of management, education and technology will pave the way for improving productivity and responding to the changing needs of members (Kamalia et al, 2025).

Cooperatives, as organizations founded on the principles of common ownership, democratic management and member financing, face numerous challenges that directly affect their performance and sustainability (Fulton & Hueth, 2009).

Weak institutional support, lack of appropriate infrastructure, and ineffective policies can not only threaten the growth and sustainability of cooperatives, but also reduce members' trust in cooperative management. In addition, negative social capital, or lack of trust between members and managers, is another serious obstacle to the development and survival of cooperatives. These conditions, especially in societies where social trust and solidarity are weak, have a greater impact on cooperative performance and can prevent them from achieving their main goals (Duarte et al., 2025). Cooperatives are known as social enterprises, with trust and cooperation as their essential pillars (Saz-Gil et al., 2021). Cooperatives face specific challenges in human resource management due to their democratic structure and the need to balance the interests of members and non-members (Voigt & Oelsnitz, 2024). This unique structure requires the design of frameworks that emphasize member self-leadership and adherence to participatory values. Such frameworks can help strengthen member interaction and increase productivity in cooperative environments (Kumara & Bhat, 2022). Therefore, the main question is: how is the design of a development model for consumer cooperatives in Iran?

Theoretical Framework

History and Evolution of Cooperatives

These companies have developed in many countries as a tool for the economic and social empowerment of different groups in society, especially farmers and workers. In some countries, such as Finland, the laws governing cooperatives have taken on characteristics of commercial companies over time, a process known as "corporatization". These changes have to some extent reduced the difference between cooperatives and commercial companies, but the fundamental principles of cooperatives are still preserved and play their main role (Pönkä, 2019).

Definition and nature of cooperatives

Cooperatives are independent associations in which a group of people with a common motive come together voluntarily and democratically to meet their economic, social and cultural

needs. These types of companies operate on the basis of principles such as free and voluntary membership, active economic participation of members, democratic control by members, organizational independence, education and information, inter-cooperative cooperation and attention to social interests (Yaşan, 2024).

Legal and organizational characteristics of cooperatives

Unlike traditional commercial companies that focus on profit, cooperatives are formed based on the common interests of their members and the principle of cooperation. The management structure of cooperatives is usually designed to include a board of directors elected by members and professional executive management, and decisions are made democratically (Cheney et al., 2014).

The role and performance of cooperatives

Numerous studies show that cooperative principles have a significant impact on the entrepreneurial orientation of these companies and can promote their innovation, risk-taking, and overall efficiency. In addition, studies have shown that the financial and operational performance of cooperatives is not much different from non-cooperative companies and that they can be as successful as other companies in a competitive market (Guzmán et al., 2020).

Duarte et al. (2025) examined the competitive behavior of consumer cooperatives. Using data and a structural model, we test whether consumer cooperatives in the Italian supermarket industry act as profit-maximizing firms. We find no significant deviation from profit maximization. Based on a hypothetical experiment, even a mild degree of internalization of consumer welfare by the cooperatives studied can generate welfare benefits for consumers that are comparable to the regulatory benefits they enjoy. Boadu et al. (2024) examined the social economy and solidarity and social inclusion of cooperatives in the Asin-Fuso Municipality, Ghana. The results showed that cooperatives promote social inclusion by facilitating access to productive and financial resources with members of credit-based cooperatives experiencing high social inclusion. Members with smaller households enjoyed higher social status, as they were able to engage in more social and economic activities within their communities and groups. We recommend access to credit and production resources and long-term production control measures, as these factors are essential for high social inclusion.

Research Methodology

The research method is applicable in terms of its purpose, and qualitative-phenomenological in terms of its implementation, and has inductive and deductive approaches. The statistical population consists of 12 executive managers, and members and experts active in consumer cooperatives, selected using non-probability judgmental (purposive) sampling. The data collection tool includes semi-structured interviews.

Research Findings

Data analysis was carried out using MAXQDA 20 software. The results indicate that the development of consumer cooperatives is influenced by key components such as experienced and trained human resources, organizational development strategies, appropriate management structure, legal support, active participation of members, use of new technologies, and development of distribution and sales networks. Also, cultural components such as trust and cooperation between members play a facilitating role in development. Quantitative and qualitative indicators related to each component were also found to be effective in increasing productivity and achieving economic and social goals. Integration and coordination between components and indicators are crucial for achieving sustainable development of consumer

cooperatives, and using this framework can be a practical guide for policymakers and managers in this field.

Conclusion

The present study was conducted with the aim of designing a development model for consumer cooperatives in Iran. The results of this study are consistent with the results of Duarte et al. (2025), Şavga (2025), Boadu et al. (2024), Osten et al. (2024), Jafari (2021), Guzmán et al. (2020), and Mokhtari & Rahimi (2019). Boadu et al. (2024) showed that cooperatives promote social inclusion by facilitating access to productive and financial resources with members of credit-based cooperatives experiencing high social inclusion. Members with smaller households enjoyed higher social status as they were able to carry out more social and economic activities in their communities and groups. We recommend access to credit and productive resources and long-term production control measures as these factors are essential for high social inclusion.

Based on the results of this study, the following recommendations are made:

Investing in information technology and developing electronic sales systems and management automation systems are other strategic priorities that should be considered. This measure can significantly improve the quality of services provided to members, improve interactions between members and cooperatives, and increase the competitiveness of these institutions.