

DegreeLive

B.Com Honours

Semester VI

Calicut University

CO-OPERATIVE MANAGEMENT AND ADMINISTRATION

Course Code: COM6EJ3065 • Module 2 Notes

Module II: Role of Management in Cooperative Development

Covers unique features of cooperative management, integration of Rochdale Cooperative Principles with General Management Principles (Fayol/Taylor), professionalization of leadership, and organizational structure design.

Unit 4: Cooperative Management Principles Integration

Integration: Dual Objectives of Cooperatives (Member Service + Economic Efficiency). Synthesis of ICA Principles (Democratic control, member participation) with Henri Fayol's 14 Principles of Management (Unity of command, scalar chain, equity).

Unit 5: Professional Management & Evaluation Criteria

Professionalization: Inducting professionally qualified executives (Chief Executive Officer / Secretary) while retaining democratic elected board oversight. Evaluation: Member satisfaction, financial solvency, & social audit.

Unit 6: Organizational Structure of Cooperative Federations

Structure Design: Three-tier cooperative credit hierarchy:

- Primary Level:** Primary Agricultural Credit Societies (PACS).
- Central/District Level:** District Central Cooperative Banks (DCCBs).
- Apex State Level:** State Cooperative Bank (Kerala Bank).

Practical Case Framework 1 (Cooperative Principles vs General Management Principles Synthesis):
Compare Rochdale ICA Cooperative Principle, corresponding Fayol Management Principle, and operational alignment.

Cooperative & Management Principles Synthesis Table:

ICA Cooperative Principle	Henri Fayol Management Principle	Integrated Operational Alignment
Democratic Member Control	Equity & Subordination of Individual Interest	One Member One Vote regardless of share capital
Autonomy and Independence	Unity of Direction & Scalar Chain	Self-governing board accountable to General Body
Member Economic Participation	Remuneration of Personnel	Limited dividend on capital; patronage refund

Practical Case Framework 2 (Three-Tier Cooperative Credit Structure Architecture Matrix): Compare organizational tier, institution name, geographic operational jurisdiction, and primary credit function.

Cooperative Federation Organizational Structure Table:

Organizational Tier	Institutional Name	Primary Credit & Administrative Function
Primary Tier (Grassroot)	Primary Agricultural Credit Society (PACS)	Direct crop loans & input distribution to farmers
Central Tier (District)	District Central Cooperative Bank / Branch	Refinancing PACS & balancing district liquidity
Apex Tier (State Level)	State Cooperative Bank (Kerala Bank)	State apex refinancing institution & NABARD liaison

DegreeLive

Acing your exams is just a click away!

Visit www.degreeelive.in to download the next module for free.

DegreeLive