

Partnerships as an organizational form in midscale values based food chains

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Back ground

- This presentation presents an organizational sociological perspective on extended forms of cooperation in midscale values based food chains.
- The presentation draws on lessons learned from the cases of the Healthy Growth project
- Healthy Growth project:
 - From niche to volume: how do successful midscale values based food chains combine values and volume when experiencing growth?
 - 18 core cases from 10 countries
- How can we understand the success of these cases from an organizational perspective? How can normative and economic considerations be combined successfully?
- We argue that central insights can be achieved from focusing on the temporality of partnership
- Theoretical the analytical approach draws on Niklas Luhmann's social systems theory

Partnerships

- Partnerships are a special form of cooperation that differs from mere contractual agreements and formal hierarchical forms of organization
- Partnership is a form of 2 order contracts: contracts about contracts (Andersen 2008)
- A partnership implies ‘The mutual recognition of the mutual recognition’. Both parties must recognize the other in them selves
- Each involved organization must accept that they can only be what they are because of another organization
 - This is the difference to ‘business-partners’ and ‘buzzword’ definitions



The theoretical argument

- Niklas Luhmann's social systems theory . A theory about the functional differentiated society
 - 'The same perspective on differences'
- The analytical approach: 2 order observation; Observing how observes observe
 - This has the consequence that we must give up any normative expectations as an analyst but rather observe what is observed as good and bad
- By focusing on distinctions we can observe how the involved organizations observe themselves and their partners
 - Which expectations structures the cooperation
 - What are the preconditions for stabilizing these expectations
- Thee dimensions of meaning
 - Factual: what is the concern of the cooperation
 - Social: who is involved and who is excluded
 - Temporal: when is the cooperation expected to start, finish and re-start



Temporality: Time as distinctions

- The paradox of time: the only point in time that can be said to exist is the present, which can only be said to exist as a unity of the distinction between a past that no longer is and a future that not is yet!
- The present can only be observed as the unity of the difference between past and future →
- How does organizations structure their expectations to the future in the present?
- The approach forces us to give up causal reasoning

Values as a requirements in constituting partnerships

- Economic values observed from the distinction pay/ not pay
- Normative values are observed from the distinction good/ bad (proximity, animal welfare, health, sustainability)
- None of the normative values can be actualized without a corresponding economic distinction and the economic values cannot be actualized without the normative values
- Values based food chains are in this respect hybrids in that it cannot be determined which is the decisive value



Trust as a requirements in constituting partnerships

- Trust reduces social complexity by allowing us to give up the impossible quest of seeking general control with the future
- Trust offers a mechanism to cope with high degrees of complexity without resolving to attempting to exercise control
- Trust can only be generated in the present → it need to be continuously reproduced



The possibility offered through partnerships

- Organizations founded on strong values need to reproduce these values →
- Partnerships offers a organizational form that not only can incorporate normative values but can be founded on these very values because the involved parties are forced to recognize each other
- Partnerships rely on trust but at the same reproduces this very trust through the reproduction of values. No causal relationship



The temporal characteristic of partnerships

- A different form stabilizing expectation in the present to the future the contractual cooperation
- This is done through
 - Creating longer time-binds
 - Expansion of time horizons
- The present generation of dynamics directed towards the future based on experience from the past



Conclusive remarks

- Partnerships can 'expand' the future but only when the involved organizations take on the responsibility within the organization. Mutual commitment is required (time)
- Partnerships are observer dependent, there is no universal recipe on success → the mutual mutuality depends solely on the involved parties (values)
- The mutual mutuality is based on reciprocal trust
- The successful partnerships observed in the Healthy Growth project builds on strong normative values and a mutual commitment to act up on these values
- To actualize these values successful requires determination and commitment from the involved organizations
- This cannot be left to a 'demand from the consumer'

Thank you for your attention



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Notes to self

- What is the implication of partnerships as the 'result' of values and trust to the concept of added value? Can the concept still be maintained? Does this concept no require that value can be distinct from added value?

