



Laboratoire d'Economie Appliquée de Grenoble

CONSTRUCTING THE LEGITIMACY OF A FINANCIAL COOPERATIVE IN THE CULTURAL SECTOR

A CASE STUDY USING TEXTUAL ANALYSIS

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**Constructing the Legitimacy of a Financial Cooperative
in the Cultural Sector:
A Case Study using Textual Analysis
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Abstract

This paper investigates the foundations of cooperative identity and how it is constructed by the organisation. More specifically, our research focuses on a financial cooperative in the simultaneously emerging and consolidating cultural sector. The originality of this paper lies in the methodology used—textual analysis. We use the *Economies of Worth* model developed by Boltanski & Thévenot (2006), which accounts for a plurality of legitimate forms of evaluation used in the processes of critique and justification.

Key Words

Cooperative Enterprise; Economies of Worth; Organizational Values; Social Economy

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Abstract

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In light of the profound changes to and the increasing heterogeneity of the cooperative movement, a considerable body of research is currently focused on improving our understanding of the foundations of cooperative identity (Spear, 2000, 2004; Malo, Vézina, 2004). While this identify appears to be related to the movements that have historically played a role in its construction (labour, agricultural and religious movements, and professional organizations), as an organizational type cooperatives have followed on the heels of the economy's shift to a service economy (Demoustier, Rousselière, 2006). Its development in new sectors of the knowledge economy (Benghozi *et al.*, 2000) is also being studied: have cooperatives adapted to these new sectors as is the case for not-for-profit organisations (Blaug, 2001; DiMaggio, 2006)? What are the values they should advocate? Is this consistent with traditional cooperatives or does it represent a rupture?

Within the framework of this context, this paper discusses the emergence of a new form of cooperative organisation in the cultural sector in Quebec, a sector which is undergoing significant changes. We study the Desjardins Cultural Credit Union,¹ which was created in 1993 by the Union des Artistes (UDA), Quebec's main artists' union. This credit union is somewhat paradoxical inasmuch as its status as a financial cooperative makes it subject to the constraints of the financial sector. We study the foundations of "cooperative identity"—which in itself is not at all obvious—and the way in which it is itself constructed by cooperative organisations.

¹ Caisse d'économie Desjardins de la Culture.

To do so, we employ the conceptual framework of the Economics of Conventions, which enables us to establish a convincing link between organisational values and the relationships which the organisation establishes with its environment (Boltanski, Chiapello, 2006; Boltanski, Thévenot, 1999, 2000, 2006; Favereau, Lazega, 2002; Storper, Salais, 1997). The danger here is to grasp values independently of practices by overlooking the fact that they must be coherent with one another. The contribution of the Economics of Conventions is to understand how identity, values and practices are articulated within a particular institutional framework. To verify this, our argument draws upon an original method for textual analysis, namely, the *Alceste* software program developed by Max Reinert.

Following a discussion of the theoretical framework of the Economies of Worth and the research hypothesis that can be formulated with regard to social economies (1), we explain and apply the *Alceste* method to the cooperative's activity reports (2). This method draws out several action logics and the existence of specific compromises at this cooperative bank. In our conclusion, we discuss the stylised facts constructed in this manner and draw attention to the fact that the Credit Union is structured in line with a new form of public/private partnerships in the cultural sector and with the kind of latent organisation discussed by Starkey *et al.* (2000).

1. Legitimacy, values and organisation: theoretical and methodological frameworks

1.1 *The Economies of Worth model*

Within the general theme of institutionalist economies, research within the framework of the Economy of Conventions adopts a particular approach, namely, socio-constructivist neoinstitutionalism (DiMaggio, 1998). In this approach, the new element is the fact that rationality is explicitly viewed as a social construction and attention is paid to its social creation. The Economy of Conventions is informed by a “collectivist holism” (Descombes, 1996), according to which there is a common belonging of each individual to the whole on the basis of a shared individual identity. However, the individual can navigate between these different “worlds”. As such, each world is one way of sealing this common belonging. There are only differences between the worlds in that the same rationality specific to a given world is operative in all the relationships. The concept from which this plurality is derived is *uncertainty*. Uncertainty is initially based on “the interpretation of what the other is doing.” It leads to problems of coordination among individuals (Storper, Salais, 1997). One view of uncertainty focuses on the plurality of notions of the good. *Justification* is the central concept of the action theory informed by the Economies of Worth (Boltanski, Thévenot, 1999, 2000, 2006).² This model arose from Boltanski and Thévenot’s desire to develop an analytic tool that would enable them

² According to Thévenot (2001), there are three different action regimes according to the way in which an individual’s actions are introduced. These regimes can be differentiated in terms of three levels of conventions ranging from the most intimate to the most public: *the familiar regime* (which involves no coordination with remote people), the *normal action regime* (a strictly local arrangement involving the presence of another person), and the *justification regime* (for which an order and a shared assessment are sought after in order to provide a framework for disagreements). To articulate the whole, Thévenot proposes to differentiate these regimes of commitment in terms of the nature of the good, how it is assessed, and its reality.

to understand the justifications observed in everyday critical situations. The deployment of the arguments used by the people involved enabled the construction of *common worlds* which are based on regimes of justification called *cities*. These regimes enable people to coordinate themselves and lead to assigning people and things to an order of worth, which enables them to account for *justified inequalities*. This distribution is effective when worth or reality is tested. All evaluation principles cannot claim to have the same legitimacy. To be just, an evaluation model has to respect six axioms and be consistent with the common good:

P1: the principle of common humanity: the world is divided into humans and non-humans. Only humans have the status of subjects, and members of society recognise one another as such.

P2: the principle of difference: there are several differentiated social positions to be distributed among members of society.

P3: the principle of common dignity: each member formally has an equal potential to access the various social positions, without birth- or gender-related discrimination.

P4: the principle of order: differences in social positions are classified in terms of a hierarchy of worth.

P5: the principle of sacrifice (or investment formula): there is a cost associated with access to higher social positions, which entails sacrifice on the part of the postulant.

P6: the principle of higher common good: over and above their own satisfaction, those who occupy a position of worth produce a common good for the benefit of all members.

These axioms impose certain common-good constraints on the principles which can ground a legitimate evaluation regime. There are a limited number of regimes, inasmuch as they have to have a sufficient level of generality in order to be acceptable by all. In particular, the principle of common dignity entails that no person be associated with a unique city, which makes criticism possible. On the other hand, objects are associated with a particular city (Boltanski, Thévenot, 2006). They enable the removal of uncertainty and act as proof, which enables disagreements to be resolved.

According to (Boltanski, Thévenot, 1999, 2000, 2006), cities are constituted throughout history. Their number cannot be determined *a priori*. The scales set in place to structure just situations today were stabilised in very different eras. Initial studies have identified six cities: inspired (the higher common principle is the *outpouring of inspiration*); domestic (*respect of tradition*); opinion—which was initially called fame (*the reality of opinion*); civic (*the pre-eminence of collectives*); market (*competition*); and industrial (*efficiency*) [see Table 1]. Ensuing work has looked at cities “by project” (higher common principle: *network activity and proliferation*), the emergence of which was examined in Boltanski and Chiapello (2006), based on the new grammars of justification which can be found in management texts, or the new “green” city (Lamont, Thévenot, 2000).

Table 1 : Schematic summary of orders of worth

	Market	Industrial	Civic	Domestic	Inspired	Opinion
Mode of evaluation (worth)	Price, cost	Technical efficiency	Collective welfare	Esteem, reputation	Grace, singularity, creativeness	Renown, fame
Test	Market competitiveness	Competence, reliability, planning	Equality and solidarity	Trustworthiness	Passion, enthusiasm	Popularity, audience, recognition
Form of relevant proof	Monetary	Measurable: criteria, statistics	Formal, official	Oral, exemplary, personally warranted	Emotional involvement & expression	Semiotic
Qualified objects	Freely circulating market good or service	Infrastructure, project, technical object, method, plan	Rules and regulations, fundamental rights, welfare policies	Patrimony, locale, heritage	Emotionally invested body or item : the sublime	Sign, media
Qualified human beings	Customer, consumer, merchant, seller	Engineer, professional, expert	Equal citizens, solidarity unions	Authority	Creative being	Celebrity
Time formation	Short-term, flexibility	Long-term planned future	Perennial	Customary past	Eschatological, revolutionary, visionary moment	Vogue, trend
Elementary Relation	Exchange	Functional link	Solidarity	Trust	Passion	Recognition

Source: (Boltanski, Thévenot 1999) (Thévenot, Lamont 2000)

As shown by the comparative analysis of French and American societies by Lamont and Thévenot (2000), we can understand any concrete society, organisation or collectivity as a combination of several universalist worlds. This *compromise* is characterised by the unequal weight of each order of worth viewed as a specific means of coordination. Since orders of worth have a general validity, we can thus derive a typology of firms and organisations (Thévenot 2001: 418).³ As such, Economies of Worth have been logically applied to the social economy as cooperative banks (Wissler, 1989), non-profit hospitals

³ “A first level of variation corresponds to the unequal weight of each mode of coordination within the organization. From this framework, we can derive a typology of firms or organizations according to the order of resource which is the most developed. Since the orders of worth have a general validity, they provide a sound foundation for a typology”.

(Dodier, Camus, 1998) or environmental protection associations (Lamont, Thévenot, 2000), etc. [see Table 2].

Table 2: Main works applying Economies of Worth to the social economy

Studies	Forms of Organizations	Results
Wissler (1989), Pailler (1992), Boltanski & Pailler (2000)	Cooperative bank / Credit Union (Crédit Mutuel de Bretagne)	The loan applications are the moment of the expression of the various worth and compromise: domestic/civic/industrial/commercial
Marchal (1992)	Voluntary and Nonprofit Associations	compromise between an associative dimension (domestic/civic) and an entrepreneurial dimension (market / industrial/)
Enjolras (1993)	Voluntary and Nonprofit Associations	Associations primarily operate compromises with civic dimension: the latter could break up itself into three dimensions (democratic, administrative, solidarity) (domestic, industrial and market)
Lamont et Thévenot (2000)	Environmental protection Associations	Environmental justification, based on principles of “green-ness”, are presented for their own sake or are combined with other sorts of justifications (civic, opinion even inspired) These associations can then be in conflict the ones with the others
Dodier et Camus (1998)	Nonprofit Hospital	Tensions between a civic logic (to answer with the needs for all) and industrial (effectiveness of specialization)
Dapporto & Sagot-Duvauroux (2000)	Nonprofit Professional Theatres	Compromises between inspired and... civic, domestic justifications One notes an absence of “industrial” and “market” worths The compromise is difficult with the “renown” worth

In all cases, these organisations appear to be composed of a plurality of action logics (domestic, industrial, civic and market for cooperative banks). The opening up of the firm to a diversity of forms of coordination makes it possible to absorb a critical uncertainty coming from the encounter of several modes of coordination, thereby ensuring that it will have a form of dynamic efficiency. When there is an exacerbation of criticism within an organisation (disjunction of values viewed as legitimate, questioning of the distribution of the worth of people and objects), criticism tends to lose its effectiveness (Eymard-Duvernay, Marchal 1994). This performance should thus be evaluated in a situated manner (as shown by Storper and Salais, 1997). It makes up a system with the organisation’s values. As such, the *civic worth* of a cultural social economy organisation

is proved when it has demonstrated its capacity *to defend a collective interest*,⁴ its *inspired worth* when it has contributed to defending *creators of genius*, its *domestic worth* when it has participated in *defending the community*,⁵ and its *industrial worth* when it has respected current *norms of efficiency*.

The orders of worth do not appear in the everyday life of the organisation but emerge in the context of critical actions and situations (severe tests). As such, the study of cooperative banks focused specifically on loan applications (Wissler, 1989). During these tests, the stability of these organisations and their underlying compromise are brought into question. In order to avoid being plunged into discord, it is necessary for these compromises to be shored up and based on the construction of *objects of compromise* composed of elements of various natures. These objects of compromise can only be understood within the context of a given situation. They are specific to each context. As such, the objective of social economy charters or documents pertaining to the social utility of associations is to solidify this compromise, as can be the case for internal settlements (Wissler, 1989). They serve as objects upon which it is possible for different actors to base themselves in a given situation. In democratic organisations (Spear, 2004) or user-based ones (Malo, Vézina, 2004), compromise is fragile by nature; critique of a prior compromise can be made in the name of the civic or the domestic world. The operation *reveals* that this compromise is not really a compromise, that it is based on an industrial or market world. Civic critique can be based on the *apparently incongruous presence* of objects that are more relevant to the *industrial world* (internal settlement,

⁴ For example, by attracting many spectators or its presence in public debates on the future of art.

⁵ Such as, “the cultural and linguistic community” of Quebec’s “distinct society” within Canada (see the various UDA resolutions in this regard).

labour contract, and the executive director's agenda) or the *market world* (the existence of tariffs for the product sold).

We can clearly see that *policy and business reports* are *objects of compromise*, which, in turn, are footholds for actions by the cooperative's various stakeholders. They *ground* arguments in the event of disagreement. They also have another function. Each year, they ground the explanation of why the cooperative acted in a particular way and why it is legitimate to continue doing so. This claim is intended not only for members but also for the collectivity when the activity reports are made public. In this approach, cooperative identity is not monolithic. Rather, it is complex since it is the expression of a plurality of values *the coexistence of which is not obvious* but must be *constructed*. The expression of this compromise can be understood in a given context, and there is thus no *a priori* reason why it should be identical for all cooperative organisations.

1.2. From post factum understanding to taking meanings into account: the Alceste method's contribution

In methodological terms, the Economics of Conventions does not stem from the methodological analysis developed by the theory of rational choice. Indeed, the analyst cannot predict from among the plurality of principles action and rule systems which among them will be operative in a given situation. The analyst can only work from a *post factum* (*ex post*) understanding without any *a priori* predictive capacity (Blaug, 1992). This kind of analysis is due to the very nature of the incompleteness rule; the discovery of

meaning can thus only be accomplished *a posteriori*. Among other things, this assumes that “what people say about what they do” is taken into account (Boltanski, Thévenot, 2000). These utterances can then be considered as new empirical material, and it must be processed by systematic and rigorous methods. A classic solution is the case study and the monograph, an explicitly comprehensive method. Another, more original solution is provided by textual analysis. Conventionalists have thus created various statistical tools for analysing texts such as *Prospero* for analysing controversies or other tools (*Alceste*, *Sampler*, *Leximine*, *Atlas*, etc.) to draw out lexical fields. These tools (*Alceste* in particular) enable the establishment of links between speech (or texts) and action. As we noted for policy and business reports, some of these texts can themselves have a particular status. They are treated as objects inasmuch as they provide footholds for the justification regimes used by actors.⁶

Among the various case studies using monographs (e.g., Bataille-Chedotel, Huntzinger, 2004) or surveys of directors (Voss, Giraud-Voss 2000), there are few if any specific studies focused on the objectives of organisations based on the documents they publish. In this regard, our analysis is original. We use the *Alceste* software program developed by Max Reinert (2003).⁷ This program performs a classification of the text chunks of a given corpus in order to produce classes of statistically-related chunks. The notion of a chunk corresponds to that of an elementary textual sequence of variable size. *Alceste* provides a powerful method for statistically analyzing the co-occurrence of words in a corpus of

⁶ See work by Boltanski Thévenot and Chiapello with regard to management manuals and practical guides intended for businesses.

⁷ “Analysis of Co-occurring Lexemes in a Collection of Text Segments.” See Noel-Jorand and Reinert (2003) for a discussion of this method.

texts. As a result, it produces sets of words that should be considered as contexts having a similar semantic nature. The main steps of the analysis are (1) reduction of the words to their roots (lemmatization) and elimination of rare words; (2) partition of the text into “elementary context units” [*Unités de contexte élémentaires*] (UCE), each having approximately the length of a sentence. The units are then classified according to the distributions of their words. In fact, the analysis is performed in parallel with two different partitions in order to check that the results do not depend on partition itself; and (3) groups of co-occurring words (lexical fields) are determined by a hierarchical cluster analysis. The appropriation of each word to its lexical field is validated by its association chi-square value. Semantic aspects are not taken into account by the method; as such, the analysis is not language dependent.

The output from *Alceste* includes the list of words in each lexical field. The meaning of the lexical fields is determined from these words. The association of representative variables with different lexical fields is a function of their association chi-square values. A dendrogram resulting from hierarchical cluster analysis shows the hierarchical division of the lexical fields.

Among the various computer-assisted qualitative data analysis software methods used for text analysis, the *Alceste* software program is benzecrian in nature.⁸ Max Reinert, who developed this software program, refers explicitly to Benzécri as well as to Wittgenstein (1958) in arguing that a discourse is not merely a collection of propositions about facts,

⁸ Jean-Paul Benzécri (1992) is the founder of multiple correspondence analysis. His work has been used since the beginning of textual analysis.

but also a collection of propositions that affirm a *lifestyle*. *Alceste*'s main presupposition is an explicitly "frequential" presupposition (evacuate all pre-notions and "blindly calculate" frequencies of occurrences to group into classes utterances which resemble one another), this in contrast to the "intuitive" presupposition of other software programs (which consist for each researcher in assuming his or her pre-notions and referring explicitly to them to construct classes of utterances which have meaning in a given research context). This presupposition—which is also found in a theoretical approach informed by an *atomist hermeneutic* (Dodier, 2005)—is that of the "lexical entry." The *Alceste* method, like other lexicometric methods, reduces speech to a simple juxtaposition of its lexemes, that is, its elementary constitutive elements. In responding to the criticism that he is reducing a text's meaning to the sum of the meaning of the words that make it up, Reinert (2003: 393) refers explicitly to the pragmatist linguist Charles Peirce and argues that meaning resides before anything else in a mechanism arising from a "very archaic level in all utterances by the simple co-occurrence of entire words, by the effect of resonance that content introduces among them." As such, the *Alceste* method appears to be well suited to the analysis of texts, even small ones in which *a discourse can unfold*. As such, the corpus of texts we use enables us to step around this criticism.

2. The plurality of action logics at the Desjardins Cultural Credit Union

We first present the Cultural Credit Union before discussing the policy and business reports it has produced since its creation. We review the main findings of this case study. A more complete case study is presented in Vézina and Rousselière (2006, forthcoming).

2.1. Origins and development of the Cultural Credit Union

The creation of the Cultural Credit Union took place in a political context which strongly advocated self-sufficiency for Quebec's cultural sector. Indeed, from 1988 to 1997, the structuring of this sector saw the gradual establishment of a series of institutions involving the specific recognition of the role of social partners in the multipolar regulation of culture (Saint-Pierre, 2004).

Table 3: Institutional structuring the cultural sector in Quebec (1988-1997)

1988	<i>Canadian statute of the artist adopted by Quebec</i>
1989-92	<i>Debates on the cultural policy of Quebec</i>
1992	<i>Adoption of the new cultural policy</i>
1994	<i>Creation of the Quebec Council for the Arts and Literature (CALQ)</i>
1994	<i>Creation of the Desjardins Cultural Credit Union</i>
1995	<i>Creation of the Société de développement des entreprises culturelles SODEC (Quebec Government corporation supporting for cultural enterprises)</i>
1997	<i>Creation of the Culture and Communications Investment Fund (FICC)</i>

The discussion of Quebec's new cultural policy (1992) contributed to the creation of many networks which helped to consolidate the cultural sector. These networks also located their thinking in a particular relationship to the place of Quebec culture.⁹ Championed by the Union des artistes (UDA), a key actor at the time with an acknowledged legitimacy, the Cultural Credit Union was the direct result of a rapprochement of the cultural sector's various professional associations (UDA, UNEQ—Union des écrivaines et écrivains du Québec—,¹⁰ and the GMMQ—Gilde des

⁹ As such, in August 1990, the Union des artistes (UDA) came out in favour of Quebec sovereignty (90% of the 2000 members question indicated that they were in favour of it) and renewed its support for it in 1995 (a survey of 70% of its members).

¹⁰ Quebec Writers' Union

musiciennes et musiciens du Québec¹¹), other union federations and professional organisations and the Desjardins Movement. These organisations were very close to the UDA's position in favour of Quebec's repatriation of cultural powers and advocated the creation of an organisation to defend the interests of Quebec creators and authors. Moreover, during this period, the UDA developed close links with the cooperative movement (e.g., participation at the 1992 Cooperative Convention, organised by the Conseil de la Coopération du Québec¹²).¹³ In discussions with the Desjardins Movement, the UDA, which was a member of the FTQ (Fédération des Travailleurs du Québec¹⁴), developed a project which initially resembled the FTQ's Solidarity Fund. This project called for tax credits for Quebecers who invested in cultural development. This general idea led to the creation of two distinct tools: the FICC (Fonds d'investissement de la culture et des communications¹⁵) focused on providing loans to businesses; and the Cultural Credit Union, which collected "artists' savings to finance the cultural communities financial needs."

At the time, the Desjardins Movement was going through a period of profound reorganisation and as such, displayed little interest in creating a new credit union in the context of the rationalisation of its network. The project thus began as part of an existing credit union at the NFB (National Film Board) by changing its organisational structure.

Initially, this renewed credit union had 400 members and a twelve-member Board of

¹¹ Quebec Musicians' Guild

¹² Cooperation Council of Quebec

¹³ A quote from Serge Turgeon, the-then UDA president, speaking at the Convention: "We have to assume the full dimensions of a people and not limit ourselves solely to economic criteria. Homo economicus, alone, will never go very far (quoted in Sarfati 1992). "Cooperatives are poorly understood by Quebecers...and by their own members (*Le Soleil*, Sunday, May 3: B13).

¹⁴ Quebec Federation of Labour

¹⁵ Culture and Communications Investment Fund

Directors (three of whom were from the former community). The nine other members were to come from the UDA. The new structure, called the Desjardins Cultural Credit Union, was launched on April 19, 1994 with \$1.5 million in assets.

Over the next 11 years, the Credit Union's activity developed significantly: its assets went from \$1 million to more than \$80 million and its membership increased by around 10% per year to reach a total of 3,900 members. Although the Credit Union is provincial in scale, 70% of economic activity related to culture takes place in Montreal and more than 90% of its members are from the Greater Montreal area. In strategic terms, the Credit Union occupies a particular place. Its client base, individuals and cultural enterprises alike, has a mixed profile. While there is a varied mix of cultural sectors among its clientele, UDA members still predominate, accounting for nearly 50% of its membership. The Credit Union also has members from the GMMQ, the UNEQ, the NFB and above all from UQAM (University of Quebec at Montreal—nearly 1,100). The creation of a service outlet at UQAM can also be seen as a means of stimulating growth and solidifying the Credit Union's financial base. It enabled the Credit Union to extend access to a more varied clientele by accepting members from all activity sectors related to culture and communications. As such, dancers, sculptors, painters and even journalists and show-business producers and technicians are now members of the Cultural Credit Union, and account for roughly 5% of its membership. The growth in the number of its employees (from three at the beginning to 25, including five in decentralised service outlets) has been in line with the growth of its global activities.

The Credit Union's rapid growth strategy, which gave it legitimacy in the eyes of the Desjardins Movement and of the cultural community (by meeting its needs), has also relied on consolidation phases. The current consolidation phase is focused on structuring the Credit Union (collecting savings to shore up its equity, hiring new personnel, restructuring the organisational chart). This legitimacy is reinforced by the organisation's governance mode. This organisation is both political (cooperative structure) and commercial (service outlets). These two levels are closely interrelated in this cooperative. Resembling a network structure, the cooperative's structure is doubled by vehicles for the expression of needs by specific clients such as members from UQAM or the NFB, while the base is closer to professional cultural activities. These user committees can both make particular demands and adapt certain products. Also, cooperative governance is advocated by all the Credit Union's directors.¹⁶

This objective appears to be in line with declarations by the Credit Union's members. A member satisfaction survey was conducted by telephone in 2005 of a representative sample of members between the ages of 18 and 70 with combined savings and loans portfolios of \$5,000 or more. For the three points related to the "cooperative distinction," the results differed from those obtained from the two other kinds of Desjardins Movement credit unions.¹⁷ Solidarity logics (92% agree or strongly agree) and meeting the community' objectives (86%) are better grasped by members than the third point

¹⁶ In the words of the Executive Director: "it is important for us to remain a cooperative and not to become a business bank in the cultural community. Members must be able meet, even virtually, to tell management "we don't like a given decision." There is a size and a distance problem. The beauty of the cooperative is to be able to tell management to its face that it has to change."

¹⁷ Group credit unions (i.e., credit unions intended for professional groups) and credit unions in urban communities (i.e., other credit unions, group based or not, located in an urban setting).

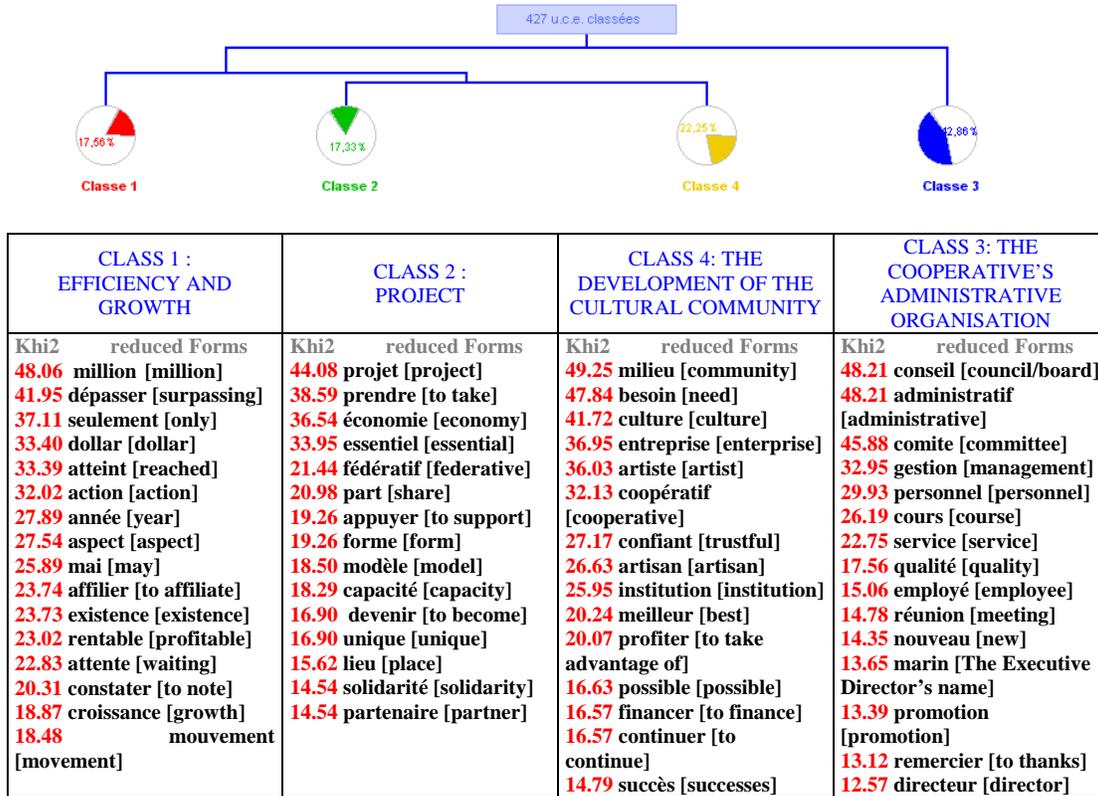
more directly related to the democratic dimension (58% vs. 45% for other urban credit unions).

2.2. Applying the Alceste method

This brief presentation draws out the particular place occupied by the Desjardins Cultural Credit Union within the institutional architecture of culture in Quebec. Bringing together the sector's main organisations and positioned in the strategic cultural financing segment, it can be viewed as a *public space* for debate about and the orientation of culture. In what follows, we employ the *Alceste* method in three successive steps: the results of a hierarchical classification; the "profile" of each of the retained classes; and schematic representations arising from the factorial analysis of multiple correspondences.

The descending hierarchical classification led to the creation of four classes [see graph 1]. Of the corpus's 437 UCEs, only 10 were not classified (2.29%). The remaining 427 UCEs were divided into four classes, unequal in terms of importance. The first division is between Class 3, with 42.86% of the UCEs and all the others. The second division involves Class 1 which accounts for 17.56% of the UCEs. Class 2 (17.33% of the UCEs) and Class 4 (22.35% of the UCEs) are closer to one another than the others.

Graph 1: The four lexical worlds of Desjardins Cultural Credit Union



Source: Personal corpus created using the Cultural Credit Union's activity reports as at January 1, 2006.

As can be seen, Class 2 and Class 4 are relatively close to one another: the proximity of the organisational development project based on “solidarity” or “sharing” to the Credit Union’s relationship to the cultural community appears to indicate that the Credit Union is a tool at the service of the cultural sector’s development. This appears to occur in relation/opposition to profitability and growth constraints imposed from without (but internalised by the Credit Union). These three lexical worlds are related to the Credit Union’s objectives whereas Class 3 concerns its administrative functioning (viewed as

specific to cooperatives). What follows is a more precise development of the content for each class.

Class 1: Efficiency and growth

This lexical world is related to the *organisation's efficiency and growth*. The representative forms are related to “surpassing,” “action,” “meeting (objectives or assets),” and “growth.” Among the repeated segments, it is interesting to note that “we have” occurs the most often here as well as in the other classes. It is also interesting to note the repetition of “Desjardins Movement” in light of the Credit Union’s particular position within the federation. During the interviews, directors regularly noted that “profit seeking” guaranteed both independence from Desjardins (in the context of the Movement’s rationalisation of its cooperatives) and recognition. Profitability is both an objective to “be met” and one that can be “noted” based on quantified data (“millions of dollars”). The central rhetorical figure is “we” (“we have,” “our Credit Union”) *vis-à-vis* the Desjardins Movement. Among the characteristic UCEs, we can note:

*These **results** are all the more **remarkable** in that they were achieved in our third year of existence. Again this year, our action plan went perfectly; once **again**, all our objectives were **met or surpassed**.*

A descending hierarchical classification of the terms confirms this since it reveals the proximities and oppositions among them: as such, a group of terms including “profitable,” “existence,” and “relevant” is close to a group including “action,” and

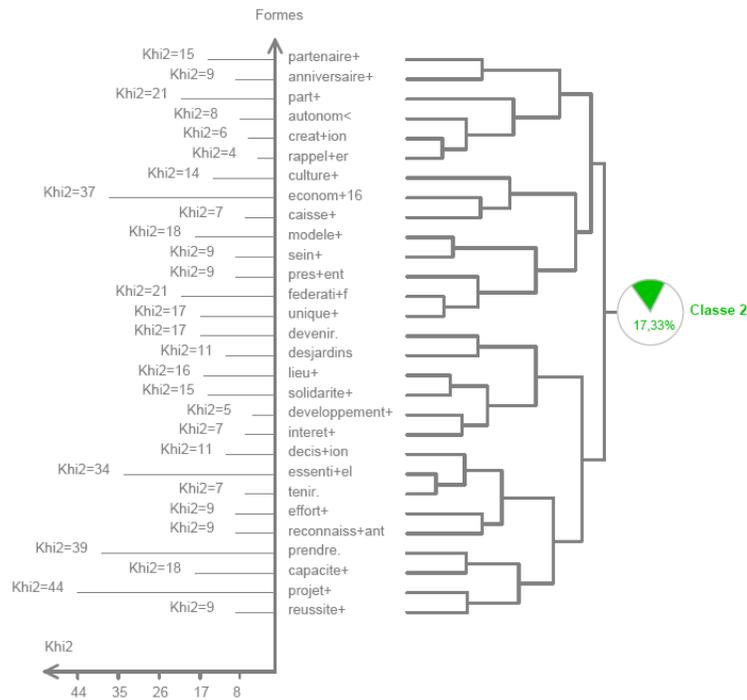
“growth,” and is opposed to the group which contains “wait,” “affiliation” and “(Desjardins) Movement.”

Class 2: The project

Class 2 is the lexical world relative to the organisational project. This class’s representative forms are those related to “project,” to qualifiers such as “essential” (relative to notions of substance), “support” (specifying relationships), “capacity,” “become,” and “share” (in fact, the lemma “sharing”). This organisation appears as a “model,” it is “unique,” an “extraordinary place of belonging and sharing.” Once again, the repeated segments are those related to “us” (in greater number—“we have,” “our Credit Union,” “our members”). The Desjardins Movement is still present, but with fewer occurrences. We find the following characteristic UCE:

*...a place where **culture** leads to **interests**, and where our collective or **individual projects** take shape in a spirit of **sustainable development**. It’s an **extraordinary place** of belonging, of **solidarity** and of **sharing** since by the **end** of the **present financial year** the **Cultural Credit Union** had 1, 561 members.*

Graph 2: Hierarchical tree of Class 2's reduced forms



Source: Personal corpus created using the Cultural Credit Union's activity reports as at January 1, 2006.

In Graph 2, we can see some interesting term associations: between sharing, autonomy and creation; solidarity and development; decision and essential; and capacity, project and success. The Credit Union can thus itself be viewed as a compromise between or synthesis of these various objectives.

Class 3: The cooperative's administrative organisation

Class 3 stands clearly apart from the other classes and is a lexical world related to the *cooperative's administrative organisation* (with the roles of each person). The representative forms are “board of directors,” “committees,” “management,” “personnel,” “service,” “quality,” “employee” and “meeting.” The Executive Director's name (Marin) also appears in this class. The most repeated segments are “we are,” “Board of

Directors,” “service outlet,” “cultural credit union,” and “this year.” We find the following characteristic UCE:

*I would like to **thank** all the **volunteers** who have collaborated by giving their **time and energy** to **ensure the working** of the **service** outlet, whether they did so as a member of the **management committee**, the **loan committee** or the **Board** of **Directors**.*

It is important to note that this class groups together elements related to paid employees as well as to the Credit Union’s volunteer administrative structure (which appears as a specificity of the cooperative). The actions of the “volunteers” are valued as much as those of the “head office” “personnel.”

Class 4: The development of the cultural community

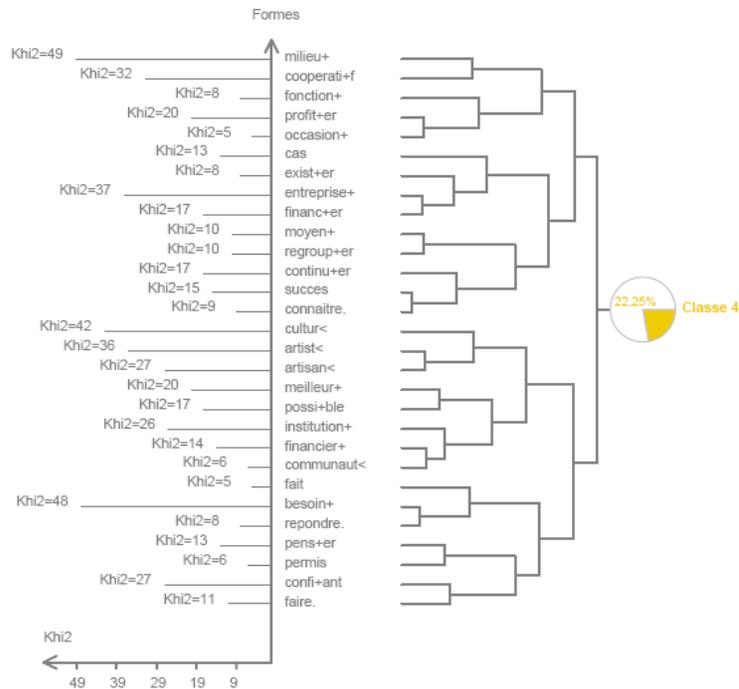
Class 4 is a lexical world related to the cultural community. The representative forms include “community,” “need,” “culture,” “artist,” and “cooperative.” Among the repeated segments, we find “we have,” “financial institutions,” and “our members.” The characteristic UCEs are representative of a discourse that values the cooperative as a response “adapted” to the “specific” needs of the community and as an example of the “collective” mobilisation of “artists and cultural enterprises.” As such, we find:

*Artists and **cultural enterprises** are **collectively** able to **have confidence** in themselves by **assuming** the construction of their own **future**. We have easily won the wager that we **made** on ourselves, and which has **enabled** us to overcome the*

obstacles imposed by a **financial system** which was neither **designed** nor **conceived to meet our needs**.

We have all had a hand in the extraordinary results and the **success** of our group. We **plan** to **continue** to see that our Credit Union grows, and to do this, everybody's involvement is **extremely** important to us.

Graph 3: Hierarchical tree of Class 4's reduced forms



Source: Personal corpus created using the Cultural Credit Union's activity reports as at January 1, 2006.

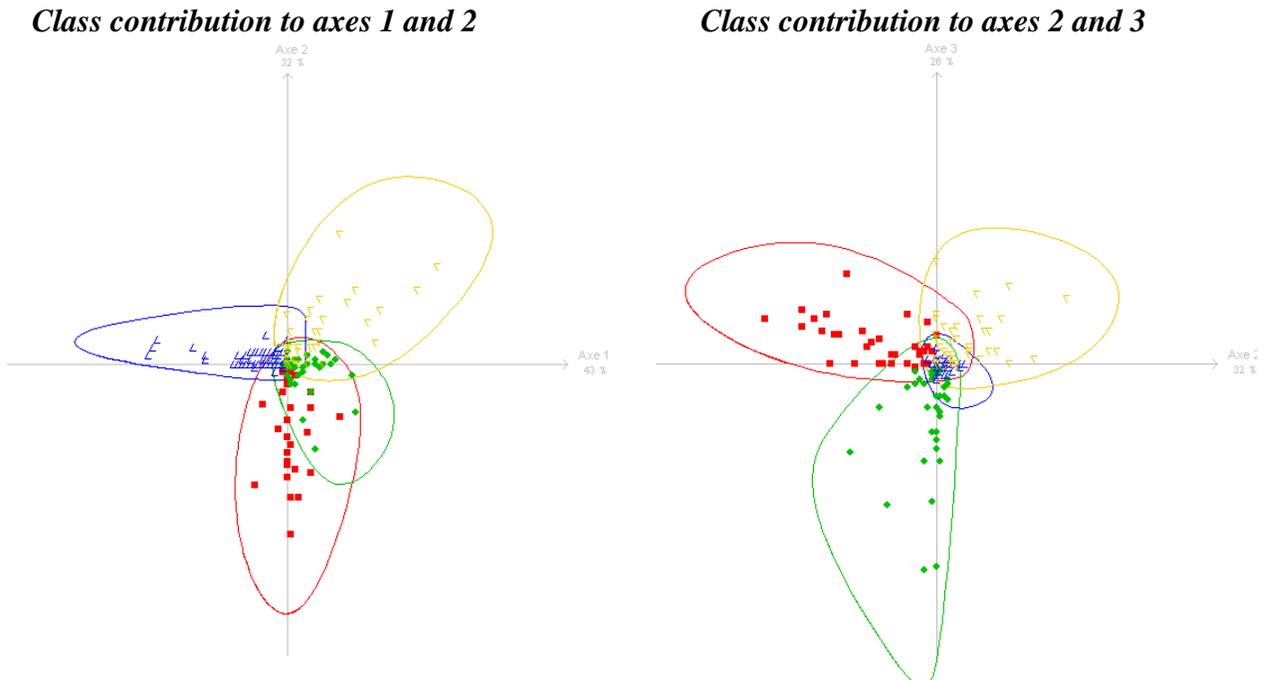
The hierarchical tree of representative forms draws out four groups of terms (second subdivision from the right of graph 3). The first group contains the entire words

“community,” “cooperative,” and “take advantage of.”¹⁸ It tends to come close to the group with the words “enterprise,” “group together,” and “success.” These first two groups are opposed to the other two groups, one of which contains “culture,” “artist,” “artisan,” “best,” and “possible.” The other group contains “need,” “meet,” “confident,” and “think.” Indeed, this class, which contains statements about the Credit Union’s values, appears to be a synthesis of those which evoke the “community” (the development of the sector as a whole), enterprises (“group”), artists and artisans (search for excellence), and to expressed needs (“confidence” and “meet”).

To specify more precisely the relationships among these lexical worlds, we can conduct a multiple correspondences analysis. The first two axes account for 75% of the total inertia (43% for axis 1 and 32% for axis 2); axis 3 accounts for the remaining 23%). There appear to be vast zones of overlap among these lexical worlds. These overlap zones can be interpreted in terms of a *compromise* between lexical worlds. We present schematic representations of the class contributions to the axes on the one hand, and the coordinates of the first two factors on the other.

¹⁸ In French: *profiter*

Graph 4



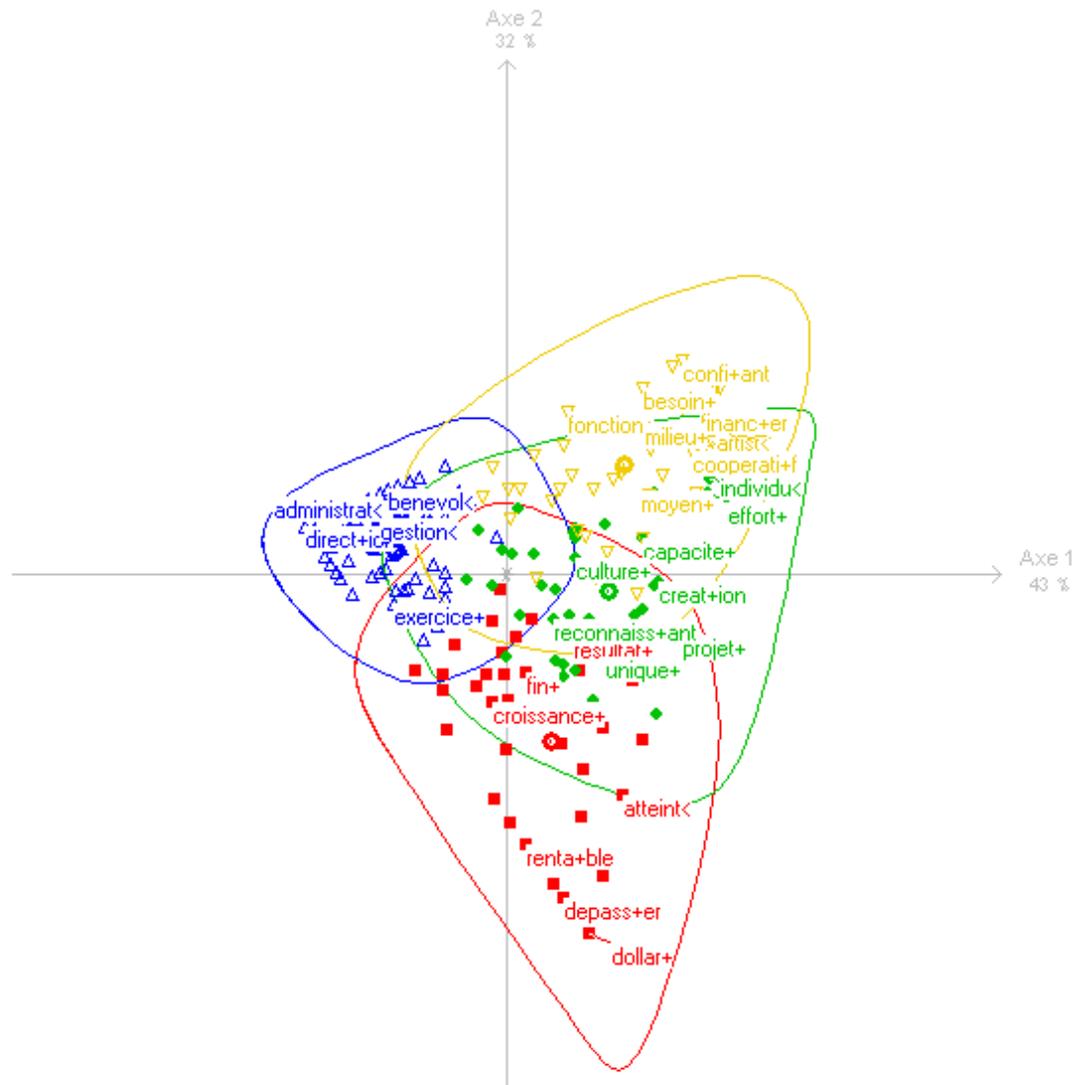
Legend: class 1 is red, class 2 green, class 3 blue, class 4 yellow, the points correspond to the various reduced forms

Source: Personal corpus created using the Cultural Credit Union's activity reports as at January 1, 2006.

On graph 4, axis 1 mainly opposes classes 3 and 4, that is, the administrative and cultural dimensions (administrative norms and organisation to be followed vs. service objectives). Axis 2 mainly opposes classes 1 and 4, that is, the growth and cultural dimensions (profitability constraints vs. cultural service). Axis 3 mainly opposes class 2 to the other classes, classes 1 and 4 in particular, that is, the project dimensions to the profitability and cultural service dimensions. Class 3 (organisation) is absent from this opposition *i.e.*, the project dimension vs. one of the Credit Union's "realities" of being caught between the financial world (with profitability norms imposed by the Desjardins Movement) and the cultural world (which imposes meeting and following up on its needs).

Following the multiple correspondences analysis, the next graph indicates the coordinates of the various words on the first two retained axes.

Graph 5: Graphical representation of the multiple correspondences analysis



Legend: class 1 is red, class 2 green, class 3 blue, class 4 yellow, the points correspond to the various reduced forms. Source: Personal corpus created using the Cultural Credit Union's activity reports as at January 1, 2006.

Some of the reduced forms belong to the overlap spaces among the four classes. For example, “culture” is at the intersection of classes 1, 2 and 4. “Growth” is at the intersection of classes 1 and 2, that is, in a compromise zone between a solidarity dimension (class 2) and an imposed profitability constraint (class 1). The terms ‘cooperative,’ “artist” and “community” are in the factorial space that includes the lexical worlds of project organisation and cultural community. The stated objective can thus be to develop the cultural sector viewed as a “community.” In another credit union, the need for growth would be related to the presence of competition and thus the need to be more efficient. Here, this necessity is determined instead by the needs of the community (institutional demand).

Conclusion

The present study sought to understand how a cooperative bank’s identity is defined via a textual analysis of its activity reports. It draws out the plurality of action logics and the particular values of a financial cooperative. The classes related to the project and to the Credit Union’s relationship to the cultural community are themselves syntheses of a plurality of objectives.

Founded with the objective of serving the Quebec cultural community, this organisation’s activities are structured by its own compromise configuration. In this regard, the results of our analysis of its activity reports reveal an identity constructed around various compromises. The first of these compromises is the close integration of the community in

the organisational project. The cooperative does not only serve its members, but also the entire community. In this regard, although it is a financial institution, the Cultural Credit Union advocates a cultural project much more than a strictly financial one. In this sense, the important role of the “project” makes the Credit Union a “project-oriented organization” (Hatchuel *et al.*, 2006).

We could also expect that the second compromise stemming from this organisational form would be opposed the *market* dimension, viewed as competition (Boltanski, Thévenot, 2006), to the organisation’s cultural project. However, the results of our empirical study tend to show that there is an opposition between efficiency—imposed not by competition but by its network (Desjardins)—and its own cultural project. Stemming from an *industrial worth*—in which the basis of worth is an organisation that performs—, the efficiency imperative is related to a need for legitimacy, enabling it to maintain its independence from the cooperative network. This result suggests that the various action logics in the Desjardins network differ from one another as a function of distinct action contexts. As such, the “community” world takes on a different, less charged form for the organisational “project” than is the case for the Cultural Credit Union. By extrapolation, we could expect that the boundaries between the interior and the exterior (community) do not have the same degree of porosity and, as such, of influence over one another. As well, the efficiency sought after here is not one of rationalisation and cost control but of growth. This growth seeks above all not to establish a better market position *vis-à-vis* the competition but to develop the community (to meet its important needs).

The analysis of the activity reports also enables us to draw out the specific nature of this cooperative bank's *administrative organisation*, which is deeply infused with cooperative functioning. In this regard, the local management committees stand out as an original and central structure in the Credit Union's business model with its increasingly mixed clientele. Indeed, this is one of the conclusions of a previous study (Vézina, Rousselière, 2006, forthcoming) which used interviews as its raw data.

Our findings are thus consistent with those of a previous interview-based study of this organisation. However, the textual analysis method provides another perspective since it enables an understanding of how practices and discourses make up a system and how certain texts provide support for individual action in the form of *grammars of justification*. An understanding of how the organisation functions assumes, however, that we can articulate these means of justified action with other existing action forms in given situations,¹⁹ which we can grasp by interviewing the actors in the organisation's offices. As research material, activity reports are a rich source of information when they are analysed using an appropriate and powerful methodology. Their analysis alone enabled us to identify the specific identity elements of the organisation. However, the strengths of this study carry with them their own limits. In that an entity's identity can only be recognised in comparison with another entity's identity, an exhaustive study using the same methodology of other organisations should enable us to get around the limits of the present study. It could be interesting to specify the articulation of the conventions

¹⁹ François Eymard-Duvernay and Emmanuelle Marchal (1994) articulate these two dimensions, which they call "evaluation relations" (which seek to make actions conform to general rules) and "incentive relations" (which lead to negotiated agreements in given situations). In methodological terms, this assumes that one can articulate textual analysis with analyses in given situations (by participant observation).

advocated by the organisation and the institutional framework. It is thus not only the distribution of motivations that is brought into question, but also the very nature of the motivations that are possible for an organisation to evoke or advocate. As such, while “cooperatives” are objects of compromise, we are led to ask whether they are necessarily grounded in the same grammars of justification from one country to another—a distinct possibility since the terms employed are equivocal.

As part of the cultural sector, the cooperative tends to be embedded (Granovetter, 1985; Levi, 2006) in the social relations specific to this sector, which gives it objectives and a *meaning*. Cooperative identity cannot therefore be defined in general terms. It is only a “language game” in Wittgenstein’s sense of the expression. It is necessary to understand it in relation to the “life forms” to which it refers. Declarations such as the one made by the International Cooperative Alliance (ICA) cannot determine once and for all the meaning of cooperative identity, inasmuch as this declaration is *historically dated* (Chomel, Vienney, 1996). It is this which “explains why the debates over the “true” cooperative principles have continued since the first manifestations of their mutual recognition internationally” (Vienney, 1982: 173). We can thus see that this form can be adapted to new sectors. But in adapting itself, it undertakes new compromises among action logics based on different *common higher principles*. We can thus see a renewal of cooperative identity in these new compromises:

- *Between member interests, the community interests and general interests*: the cooperative establishes itself by its participation in the community’s development and not merely via activities that benefit its members (at the risk of collective egoism).

We can thus see in this a new form of collective economy or mixed economy, as is revealed in the relations it has with its partners (union organisations, public organisations). A *civic logic*, which according to Boltanski and Thévenot (2006) is a coming together for a common project, is thus expressed in the cooperative's objectives. The collective project is understood here in an *equivocal* sense as going beyond the interests of its artist members. We can see here a coherency between these values and the cooperative's organisational form based on the sector's union organisations. Its legitimacy derives from the extent to which it is viewed by public and private partners as being *representative* of the cultural community's interests.

- *As a project-oriented organisation*: as the interviews reveal, the various forms of experimentation with new products, non-formalised relations with certain partners, and embedding the cooperative in the sector's social relations procure it a better knowledge of and more effective risk management (Vézina, Rousselière, 2006, forthcoming). The worth of the city by projects (Boltanski, Chiapello, 2006) finds full expression in this dimension. Found mainly in class 3 of our analysis, it is another element underlying the cooperative's legitimacy. Indeed, embedding the cooperative in the cultural sector reinforces the stakeholders' trust in it. This "social capital" enables a "project ecology" based on cooperation beyond the limits of the organisation (Grabher, 2004; Starkey et al., 2000).

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