

**IAFEP
Abstract
July, 2008**

**Democracy, Italian Cooperatives and Organization Development:
Theoretical Proposals**

Frances A. Viggiani
Alfred University, Alfred, NY

This presentation explores a theoretical relationship among democracy, ownership, and organizational effectiveness, proposing that democratization of workplace behavior and organizational structure may fit into mainstream management models of organization development and increased profitability in the firm. Four industrial cooperatives in the Emilia-Romagna region of northern Italy are presented as exemplars of espoused democratic ownership and management of the firm.

The presentation links what have been several disparate existing literatures on organizational democracy and organizational change. While democratic organizational experiments and scholarly work examining them are well known among a small international circle of economists, sociologists and organization theorists, much of this work has yet to be fully integrated into mainstream management research. Comparing and contrasting organizational change efforts in conventional participatory firms with long-lived and successful espousedly democratic firms can suggest how cooperatives and their management contribute to our understanding of change and organizational democracy. Seven research propositions will suggest comparisons that may be explored in future ethnographic research. These suggest how we might compare experiences of cooperative members with conventional participatory management change actors, helping us to understand the problems and potentials of both organization change and development in the effective firm and a democratic, self-governing economic enterprise.