Welcome students to today's session on

cooperative management and accounting.

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Today we shall cover the unique

features of cooperative management,

professional management for cooperatives,

meaning and importance under Unit 3,

management of cooperative institutions.

The outline of this module is unique

features of cooperative management,

professional management for cooperatives,

its meaning and importance.

Learning outcomes on the

completion of this module,

students will be able to understand

what the unique features of

cooperative management are.

They will understand the meaning

and importance of professional

management for cooperatives.

So let us begin by understanding what are the

unique features of cooperative management.

Firstly, cooperatives are

associations of human beings.

They are formed by members to solve the

economic problems by mobilizing capital.

And in no way the capital should dominate

over human beings in a cooperative.

The second feature is democracy.
Cooperatives must follow all

the principles of democracy.

No single person is allowed to dominate

on account of the shares that he holds

in a particular cooperative society.

3rd we have the service motive.

Any cooperative institution is formed

for the sole motive of providing

service to its members and not

for the aim of making a profit.

Next equality. All members of a

cooperative society are given equal

opportunities to enjoy the benefits

of that cooperative society and

can exercise equal control without

any bias with regards to caste,

creed, religion or language.

Next, we have the applications of

the principles of cooperation.

Cooperatives have to first follow

the principles of cooperation laid

down by ICA and then go for applying

the principles of management.

There has to be a balance between these two.

Next feature is the different aims system.

Cooperatives have to satisfy the

aims of different people working in a

cooperative society such as members,

office bearers, personnel,

as well as the government,

thereby harmonizing their interest and

aims in order to maintain a balance.

The next feature of cooperative.

Management is.

Governed by cooperative legislation,

the Cooperative Societies Act of

any particular state is directly

or indirectly controlled by the

management of cooperatives.

The Register has power to

interfere in the management of

these cooperative institutions.

Next is competitions for cooperatives,

which mostly comes from the private sector

as well as the public sector organisations.

In order to survive in this

cutthroat competition,

Co-operatoratives need to use modern

methods and techniques of management.

State government interference.

This is very common in a country like India.

Both are very often dissolved to

suit the preferences of political

convenience of the ruling parties.

Next, we have cooperative.

Strive to introduce professional

management India administration

and because of this they face

many hurdles and interferences.

We will learn more about professional

management in this module.

Next we have the tools and

techniques of management which are

applied to cooperatives and vary

from each cooperative society.

For example,

primary cooperative societies

with smaller areas of operation

and smaller size of transactions

afford to use only elementary tools.

Whereas big co-orporations use

latest and sophisticated tools

and techniques of management.

And lastly,

we have cooperative management

involves group efforts at all levels.

This is it involves the working

of the individuals as well as the

body suggests board of directors,

general body, etc.

At every stage of activity.

Next we move on to professional management.

Let us first understand what

is professional management.

So, professionalism is defined as the

meticulous adherence to undeviating courtesy,

honesty and responsibility in one's

dealings with customers and associates.

Plus, a level of excellence that

goes over and above the commercial

considerations and legal requirements.

So, all cooperatives need to

be professionally managed.

All managing committees should possess

a high degree of professionalism in

order to ensure the smooth functioning

and success of any cooperative society.

Therefore,

professionalism in a cooperative

society promotes good governance.

Now we shall understand why

professional management is required

in a cooperative society.

Firstly, it helps in organizational growth.

That is, it helps to achieve better results

through improved quality of

performing management functions.

Secondly, it helps to maintain better

relations between various people.

Working in a cooperative society,

it generates teamwork and brings

success to the organizations.

Thirdly, professional management take

courageous initiative. Professional

managers encourage their co-ordinates to show their initiative

and come up with suggestions for

the betterment of the society for

its growth and expansion as well

as this will help the subordinates

to fulfil their career objectives.

Next, we have the optimal use

of available resources and the

minimisation of wastage of resources.

Professional managers help to ensure

that there is reduction in wastage of

resources and thereby help in optimizing

the use of available scarce resources.

Another importance of professional management

is it helps to bring about goodwill.

Professional managers help

to improve the image of the

organization and front of the people.

A good image helps in building

confidence in the minds of employees,

shareholders as well as the consumers.

Next, we have reduction in labor turnover.

Labor turnover takes place

when some employees leave the

organization in search for better job

opportunities or better prospects.

But in professional management.

Employees do not feel cheated or exploited.

Besides this, in a professionally managed

cooperatives they have retention policies

so that they can ensure that the good.

Employees do not leave the organization.

Another important function of

having professional management in

cooperatives is that it helps to attract

the best talent from the market.

Since professionally managed cooperatives

offer the best opportunities to grow

and develop their skills and talents,

these cooperatives attract the finest

talents available in the market.

Next, we have motivation of employees.

Professional management understands

the role of motivation in bringing

out the best from their employees

by creating a sense of belonging

and dedication amongst them.

Some of the examples of employee

motivation could be promotions.

Bonus incentives such as medical incentives,

transportation facilities,

educational allowances, leave,

travel allowance, cash prizes, etc.

And lastly, we have progressive ideas.

A professional manager is always

open to welcome advanced ideas,

technology products and services

which leads to the Progress and

development of a cooperative society.

With this we come to the end of the module.

These are the references

for this particular module.

Thank you.