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The Participation of Specialized Cooperative Members——A Case Study of Basil Cooperative in Pengshui County of Chongqing Municipality

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Abstract On the basis of analyzing the current development situation of basil cooperative in Pengshui County of Chongqing Municipality, we use the questionnaire survey and case study method to analyze the participation mode, participation motivation and satisfaction of specialized cooperative members. Through the in-depth interviews with farmers, we sum up the existing problems in the cooperative members, specialized cooperatives and external environment, and bring forward the corresponding recommendations.

Key words Rural specialized cooperatives, Members' participation, Participation motivation, Participation effect

1 Introduction

In recent years, with the continuous progress and deepening of the process of socialist market economy with Chinese characteristics, the commercialization of agricultural products has been increasing day by day, the socialization of farmers' management process has become much closer, and the relationship between supply and demand of agricultural products has changed fundamentally.

However, in order to improve the efficiency of land use and increase the economic income of farmers, the rural specialized cooperatives came into being with the more and more prominent contradiction between small-scale decentralized farmer's production and the deepening market economy. These farmers' organizations provide a more effective way for the farmers to participate in market competition (Markelova et al., 2009).

The collective action not only reduces procurement and transaction costs and makes them have access to the necessary market information, access to new technologies and access to high-value markets, but also allows them to compete with large farmers and agribusiness (Stockbridge et al., 2003), but the rural cooperatives, after all, are still in the growth stage, especially in the western region, limited by land resources and level of economic development and various other factors, many problems loom large, such as standardized cooperative operation, lack of members' participation willingness, and lack of satisfaction.

Therefore, in order to better serve "agriculture, farmers and countryside", stabilize agriculture, develop rural areas and enrich farmers, with basil cooperative in Pengshui County of Chongqing Municipality as an object of study, we make a survey and analysis on its development status, operational mechanism, operational performance as well as the participation motivation of the members, participation effect and satisfaction, thus find a series of problems in basil cooperative in Pengshui County and the special-

ized cooperative members' participation process and analyze the reasons for these problems, and finally put forward the corresponding policy recommendations.

2 The development process and status quo of basil cooperative in Pengshui County

In October 2008, under the guidance of Pengshui County Farm Bureau, actively guided by Lianhu town government, led by major basil operators and growers, according to equality, voluntariness and mutual benefit principles, Li Yongjun and 11 other major operators became shareholders and established basil cooperative which was registered in the business department in December 2009, with the registered capital of 2.1 million yuan.

The specialized cooperatives are mainly engaged in the cultivation, sale and deep processing of basil, production, processing, marketing of various kinds of edible vegetable oil, as well as agricultural product management, related technical training and information consulting services.

During the early days of specialized basil growing cooperative in Pengshui County, there were only 12 members, and the members of Board of Directors elected one chairman (Li Yongjun), three directors and three Supervisory Committee members. The operation affairs of specialized cooperative are managed directly by Board of Directors. With the rapid development of cooperative, the number of members increased to 137 in 2012, the cooperative ownership structure was changed significantly, and the Board of Directors was re-adjusted.

The number of Board of Directors members increased to six while the number of Supervisory Committee members increased to four. However, whether it is before or after the adjustment, the Board of Directors members of specialized cooperative are all major growers and operators, and the same person acts as the chairman and manager.

In the early years of basil cooperative, the basil products (basil seeds) of members were acquired usually in accordance

with the market price, and the price of these products was higher than that of similar products with no brand, so it produced a certain surplus by selling the members' products.

But in the chairman Li Yongjun's opinion, this extensive mode of operation did not seem to meet the concept of scientific development, so through the study and communication with the experts, they agreed that only by relying on science and technology for deep processing of products could the value-added of products be increased and basil better serve people. The emergence of basil oil, greatly increased the additional value of basil, increased demand for basil, and absorbed a lot of labor in the cultivation of basil.

In order to make the members of specialized basil growing cooperative better enjoy the tangible benefits, the Board of Directors decided to return the primary product market benefits to farmers, 40% of income of the cooperative processing center was converted to production means for members, 40% as public funds (including rebate), 30% as the funding for the normal operation of cooperative.

Under the leadership of cooperative, basil cooperative continued to develop, the basil acreage constantly expanded, and the planting involved many regions. In 2013, basil cooperative in Pengshui County was awarded the title of "Characteristic Profitable Demonstration Agricultural Cooperative". In 2013, the "Pengshui" brand registered by the operative won the title of "Chongqing's Famous Trademark", and "Pengshui Basil", "Pengshui Basil Oil" were certified by "National Geographical Indication".

In November 2014, the China Green Expo held in Shanghai, "Pengshui Basil" received the widespread attention and favor of consumers and relevant practitioners due to its unique edible, medicinal value, and ultimately won the 15th China Green Food Expo Gold Award.

3 The participation of specialized cooperative members

3.1 The role and participation mode of cooperative members

3.1.1 The role and participation of managers. For the members who assume the role of cooperative managers, this article analyzes the degree of participation of members in the management through the frequency of specialized basil cooperative members' participation in the cooperative meetings, and obtains the degree of activity of members in participating management. By surveying 300 members within the scope of Pengshui County, it is found that 70 planting members did not participate in the general meeting held in 2013, accounting for 22.8%; 135 members attended the general meeting of members in 2013, accounting for 45%; the other 95 members participated in the general meeting a few times in the year.

The reason for the absence of the general meeting is that they live in the remote areas, and many members are the left-behind elderly who take care of their grandchild while maintaining normal agricultural production.

In the 300 members within the scope of Pengshui County,

205 cooperative members did not put forward opinions and suggestions to the specialized cooperative, accounting for 68.3%; 13 specialized cooperative members raised some comments and suggestions to the specialized cooperative in the basil cultivation technology, accounting for 4.3%; 27 specialized cooperative members raised opinions in terms of operation management of cooperative, accounting for 9%; 55 members put forward recommendations on product packaging and sale of basil oil, accounting for 18.4%.

From the above data, it can be concluded that most members do not have the initiative to actively communicate effectively with cooperatives. The vast majority of members are not highly educated, older, mostly illiterate and semi-illiterate, and many people can not even write their own whole names. And most of the members who gave opinions commented for the sake of themselves, and only 10% of the members were concerned about the overall development of cooperative in addition to their own production, which as a whole shows that in face of the specialized cooperative, the members have limited activity in management participation, and have limited impact on the production and operation decisions of the specialized cooperative.

3.1.2 The role and capital participation of owners. The capital participation of members means that the members participate in the organization activities of specialized cooperative by paying shares when joining the specialized cooperative, and the members at this time play the role of owners (investors). In the traditional agricultural cooperatives of the Western countries, the investor role of the members is restrained, and they are in subordinate position.

The stockholders are balanced, and even in some cooperatives, the shares held by the members are only symbolic qualifying stocks in many cases. However, with the change of the external development environment, the development of cooperatives and the expansion of the demand for operating capital, the investor role of the members is more and more obvious. Overall, the shareholding gap between all the members of the cooperative is not particularly obvious. In the 300 members surveyed, there are 289 members having no shares, accounting for 96.3%. The vast majority of members can not get the dividend of the basil cooperative at the end of the year.

According to the results of the survey, even if the specialized cooperative require small money paid for shares, the members are still reluctant to buy share, and the main reasons are: on the one hand, the members of the basil cooperative have little understanding of the general situation of basil specialized cooperative, and the limited level of knowledge makes them refuse to care about the development of cooperative so as not to participate in the cooperative business activities; on the other hand, the basil cooperative promises the reserve price for members so that the members are in a state of self-sufficiency, and it never forms a good example to let other members see the benefits brought by becoming shareholders.

3.1.3 The patron role and business participation. Members' bus-

3.1.3 The patron role and business participation. Members' business participation means that the members participate in the organization and operation of the specialized cooperative through the products and services, and the members play the role of the patrons (users) in the cooperative.

The product participation means that the members sell their

agricultural products to the specialized cooperative or buy the agricultural production materials via the specialized cooperative, which is the most important manifestation of members as patrons (users) (Wadsworth, 1991).

The service participation means that the members obtain technical training and guidance at the county level by joining the specialized cooperative, and many specialized cooperatives provide a variety of information technology services in addition to agricultural product marketing, to help members improve production and management skills (Bravo-Ureta & Lee, 1988; Theuvsen & Franz, 2007).

In terms of the members' product participation, for the majority of China's small-scale farmers, because of prominent difficulty in selling, they first focus on the market entry of products and price improvement after joining cooperatives (Xu Xuchu, 2006). In the 300 members surveyed, there are 38 members never selling their basil products to Pengshui basil cooperative, accounting for 12.7% of the total number of members, but most of the members sell their products to the specialized cooperative, indicating that this part of the members are willing to play the role of patrons.

In terms of the cooperative business participation of the members who play the role patrons, it is analyzed through the 300 members' participation in the technical training activities organized by the specialized cooperative. 49 members attended every technical training activity, accounting for 16.3% of the total number of members; there are 128 cooperatives occasionally participating in such activities, accounting for 42.7% of the total number of members; there are 128 cooperatives who have never been involved in such activities, accounting for 41% of the total number of members, indicating that in business participation, nearly half of the members did not well play the role of patrons.

3.2 The participation motivation of the specialized cooperative members The so-called motivation means the internal factor directly contributed to the activities of individuals, and it is the wish or desire causing the individual behavior and orienting this behavior to a target (Che Wenbo, 2001). The participation motivation of the members of the cooperative is divided into internal motivation and external motivation.

The internal motivation comes from the limitation of geographical location, and the surplus crops can not be sold, so the farmers voluntarily unite to form an independent organization (specialized cooperative) in order to be able to sell agricultural products and increase their income. The external motivation refers to the fact that the farmer is externally stimulated or affected by other members to join the cooperative.

According to the survey, there are more than 300 members in Pengshui basil cooperative, and only 12 of them voluntarily joined the cooperative at the beginning of the establishment, accounting for 4%; in the process of development from 2010 to 2014, 52 members voluntarily joined the cooperative after seeing the prospects for the development of specialized cooperative, accounting for $17.\,3\%$; 236 participated through the specialized cooperative or motivation by other members, accounting for $78.\,7\%$.

Moreover, most of the members chose to join after seeing the prospects for the development of cooperative, and a very small

number of farmers voluntarily joined the cooperative in the initial stage of cooperative.

It is found that the real motivation of farmers to join the cooperative is to hope that the cooperative can help them sell products, improve the family income, and this part of the members are sale-oriented; some members are more concerned about the production materials and technical services provided by the cooperative, and such members are service-oriented; only a very small number of members are concerned about the collective economic benefits of basil industry.

As for the factors affecting the participation motivation of specialized cooperative members, Graiy (1990) finds that the participation of members is affected by the scale of specialized cooperatives. Deere (1993) mentions in the study that in the participating members of specialized cooperatives, the male members are significantly more than the female members. Golovina and Nilsson (2009) find that the trust of cooperative members in Russia in specialized cooperatives is declining, which affects the participation of themselves and others in specialized cooperatives.

This paper mainly studies the impact of some factors on the farmers' motivation for participation in the specialized cooperative, such as age, gender, farmer's dependence on agricultural activities, farmers' growing area and the services provided by the cooperative. The results show that:

- (i) The age of the head of household has a certain impact on his participation in cooperatives, and the younger ones are more likely to accept cooperative management; the elderly are more dependent on the purchase and sale services of the specialized cooperative, willing to participate in the cooperative; the middle-aged farmers are more willing to operate independently.
- (ii) The number of labor days of head of household has a great impact on his participation in cooperatives. The number of days of agricultural labor reflects the attention and input of head of household to agricultural production, indicating that if the farmers are more dependent on agriculture, there will be greater possibility of joining the specialized cooperatives.
- (iii) The farmers with loans are more willing to participate in the specialized cooperatives, because it is favorable for them to participate in specialized cooperatives when they meet the farmers in the shortage of funds in the production.
- (iv) The probability of farmers joining the cooperatives is directly related to the acreage. Small-scale farmers, for reasons of cost and benefit, only satisfy their own self-sufficiency, and the possibility of participating in cooperatives is low.

With the increase of planting scale, the possibility of farmers participating in specialized cooperatives is gradually increased, but the scale reaches a certain extent, the farmers are more inclined to choose their own business.

- (v) The satisfaction of the services provided by cooperatives is the most important factor affecting their participation in cooperatives. The higher the satisfaction of the services provided by cooperatives, the higher the probability of participation.
- **3.3** The participation effect and satisfaction level of specialized cooperative members According to the survey, the average income of the farmers in Pengshui is improved significantly after

joining the basil cooperative and the yield is also increased by three times. Survey shows that the majority of members surveyed are satisfied with the services provided by the specialized cooperative.

The farmers satisfied and very satisfied with the services provided by the specialized cooperative account for 25%; the farmers relatively satisfied with the services provided by the specialized cooperative account for 43%; the farmers dissatisfied with the services provided by the specialized cooperative account for 32%.

The reason for the low satisfaction is that the technical guidance provided by the cooperative is not enough, they participate in few business activities of specialized cooperative, and they do not get along with other members (Fig. 1).

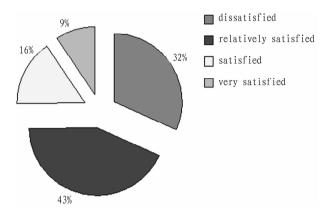


Fig. 1 The level of members' satisfaction of the services provided by the specialized cooperative

In addition, only 10% of the members surveyed are very satisfied with the development of specialized cooperative; 36% of the members are dissatisfied with the development of specialized cooperative; 42% of the members are relatively satisfied with the development of specialized cooperative; 12% of the members are satisfied with the development of specialized cooperative (Fig. 2).

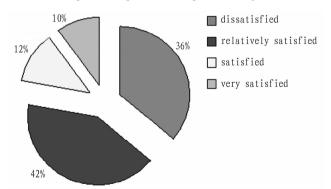


Fig. 2 The level of members' satisfaction of the development of specialized cooperative

Moreover, 62% of the members surveyed are very dissatisfied with the income from the specialized cooperative; 26% of the members are dissatisfied with the income from the specialized cooperative; 10% of the members are relatively satisfied with the income from the specialized cooperative; only 2% of the members are satisfied with the income from the specialized cooperative (Fig. 3).

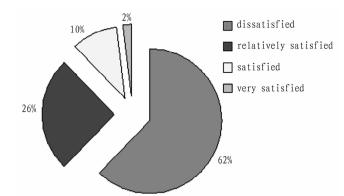


Fig. 3 The level of members' satisfaction of the income from the specialized cooperative

4 Analysis of the problems

4.1 Problems in the specialized cooperative members

4.1.1 Members' quality and literacy. (i) The integrity problems of the members leads to breach of contract and damage to the overall interests of the organization. In the initial stage of Pengshui basil cooperative, the investors, processors, sellers, brokers and planting members in the specialized cooperative agreed to provide basil seeds, fertilizers and other means of production as well as production technology and guiding methods for free to the planting members, and after the basil is mature and harvested, it will be sold to the basil cooperative in accordance with the predetermined price, and launched into the market for sale after unified processing into finished products by the specialized cooperative.

But in the actual situation, there is a phenomenon that some of the planting members focus on the immediate interests of individuals, breach agreement and sell their own basil to the businesses without informing the specialized cooperative of the details after learning that some businesses purchase the basil at a high price.

Integrity issues allow cooperative to have no way to control the actual production and seriously damage the organizational interests of specialized cooperative.

(ii) The too low costs of breach of contract cause inadequate contract security. The rural specialized cooperative is an attempt by the CPC Central Committee in the new economic environment. Pengshui basil cooperative has been developing in the exploration, and the economic benefits of the early period are not too satisfactory.

When they learn that there are crops with a greater demand and greater economic value to be needed in the market, or they feel that working in the city can bring more incomes, some of the planting members will quit the specialized cooperative, so that the specialized cooperative can not control the total number of planting members, and thus can not control the production schedule and goals, directly causing a vicious circle of rural specialized cooperative.

(iii) The lack of cultural literacy causes the low efficiency. Currently it is the generation after the 50s, 60s and 70s that are involved in agricultural activities in rural areas, and part of them receive very little education. In order to achieve the goal of industrialization, standardization and large scale, the rural specialized cooperative must introduce new planting techniques and management methods.

Some of the planting users only believe in their own personal experiences, do not want to learn new technologies and methods, and refuse the new management mechanism and methods, leading to the low productivity of specialized cooperative, hindering the normal development of rural specialized cooperative.

- **4.1.2** Lack of exchange and trust among members. In any organization, the division of labor in the organization is one of the necessary ways to maximize the efficiency of the organization. The division of labor for members will certainly need cooperation between members. According to the survey, the current problem in this regard for the Pengshui basil cooperative is:
- (i) The lack of internal communication causes low overall efficiency. Currently, there are more than 300 planting members in Pengshui basil cooperative, and all of them have received the unified technical guidance of specialized cooperative, but the harvest, basil quality and quantity vary for different members.

The planting members with a bumper harvest did not share the experience and methods of planting while the planting members with a poor harvest generally did not take the initiative to learn, so that the overall production of basil is not significantly increased year by year, which is not conducive to the long-term development of cooperative.

(ii) The lack of internal trust leads to cooperation failure between members. According to the survey, the planting members know little about the actual operation of the specialized cooperative, and the specialized cooperative insufficiently disclose the operation results of specialized cooperative, which leads to the lack of understanding of the overall distribution of benefits of the cooperative.

The long-term mistrust of specialized cooperative will cause the members not to support the work of the specialized cooperative.

4.2 Problems in the specialized cooperative

4.2.1 Introduction of qualified personnel and management to be strengthened. There are some problems in the talent introduction and management of Pengshui basil cooperative. On the one hand, there is no clear talent structure, and there is no clear demand for talent for the development of specialized cooperative; on the other hand, there is a shortage of a variety of professionals.

At present, it lacks the management personnel for basil cooperative, and only a few people play the management functions and assume all the management and operation tasks, resulting in low efficiency.

- (i) It lacks financial management professionals, and the financial management work of the specialized cooperative is completely handled by the agency, while the agency is just responsible for the basic invoicing and related accounting procedures, for want of business data analysis, business guidance and assistance in development of plans.
- (ii) It lacks professional cultivation and processing technology talent. At present, Pengshui basil cooperative has been working with some of the institutions and colleges.
- (iii) There is a serious shortage of marketing talents. At present, all the marketing work of Pengshui basil cooperative is done by the existing few management personnel, and the market-

ing efficiency is low, lacking the control of product planning, marketing strategy, promotion, channel development, customer service and other marketing processes.

- **4.2.2** Unscientific operating mechanism. At present, the internal operation mechanism of Pengshui basil cooperative is not scientific, and its production mechanism and technological innovation mechanism is relatively complete, but it is inadequate in the marketing, financial and personnel mechanism.
- (i) In terms of marketing, through the interviews with the managers of Pengshui basil cooperative, from the network, stores, media platform, there are shortcomings in the planning, pricing, promotion, publicity and other aspects.

In the product planning, there are no regular plans of specialized cooperative at different stages, and the progress of the entire marketing depends entirely on the managers; in pricing, the product pricing is not reasonable, never grasping the psychology of consumers; in promotion, currently the specialized cooperative does not arrange promotional activities according to different time, different holidays, different channels; in publicity, currently the specialized cooperative lacks the systematic promotion program, entirely depending on the natural spread and the progress of the industry, and the external display of promotional pictures has a room for improvement.

- (ii) In terms of finance, currently all the financial work of Pengshui basil cooperative is completely outsourced, which makes the specialized cooperative only play the most basic accounting and billing function in financial management, and the analysis guidance, participation in decision-making and other more significant functions are not played at all, affecting the rationality of the entire development plan of the cooperative.
- (iii) In terms of human resources, currently Pengshui basil cooperative has 12 workers, more than 300 members, and a R&D team of experts from Southwest University, Chongqing Institute of Chinese Medicine, Chongqing Municipal Experts Committee of Food Industry Association. The way of cooperation is that the R&D team does not get direct economic benefits or honor, but helps to promote the other projects of the R&D team through the exchange of resources.

Moreover, there are also problems in the broker selection mechanism of specialized cooperative, and the brokers are responsible for direct exchange and trading with the planting members in each region, but now they are selected entirely by interpersonal relationship and managers' preferences, with no a complete screening mechanism.

4.2.3 Members' income to be improved. Tian Lijing and Guo Hongdong (2010) study the large household-led rural specialized cooperatives, and believe that to benefit the members is the fundamental means for the rural specialized cooperatives to attract farmers to participate. Literally, the purpose of participating in rural specialized cooperatives is to increase the economic income, and if the members are not satisfied with the income, it is bound to affect the enthusiasm and participation of the members.

From 2010 to 2014, the basil prices increased from 2.5 yuan to 8.5 yuan per 500 g, and the planting members' income increased, but this growth was entirely dependent on market condi-

tions, and the role of operation as well as benefit distribution of cooperatives was small, and most of the planting members were not satisfied with the current income.

At present, the main income of the planting members from Pengshui basil cooperative is composed of three parts; the income from the sale of the basil to the specialized cooperative; the income from the sale of basil leaves, stems, buds and so on to the cooperative; the national subsidy to the members. According to the survey, the income of the growing members accounts for 31.25% of the entire income of cooperative.

This percentage does not refer to the whole income of the cooperative, but one of the costs of the cooperative. In other words, the benefits of the whole cooperative have almost nothing to do with the growers, and there is no mutual promotion between the benign operation of specialized cooperative and the planting members.

4.2.4 Problems in products. (i) Product positioning. The survey finds that Pengshui basil oil is consumed by all the people, including the elderly, children, men, women. From the professional positioning theory, there is no positioning for the product at all. From the well-known economist Trout's management book Positioning, we can understand that positioning should start from a product. And this product may be a commodity, a service, an organization or even a person.

However, positioning is not what you want to do on the product, positioning is what you expect the customer to do. In other words, it is necessary to position the product in the minds of the customer, to ensure that the product occupies a truly valuable position in the intended customer's mind.

- (ii) Product structure. At present, Pengshui basil cooperative does not fully exploit the value of the whole basil plant, and the most important product of the cooperative is basil oil. It is known that basil leaves, buds, and stems have the use value, for example, the basil leaves can be used to extract lead, mercury and other chemical raw materials, stems can be used to make plant crude protein, especially basil crude protein can develop in the industrialization and brand-based direction, which can improve the overall benefits of the cooperative.
- (iii) Product marketing. At present, the biggest problem in the marketing for Pengshui basil cooperative is the lack of professional marketing personnel and clear marketing ideas. The current marketing work is entirely dependent on individual management members, and the marketing power is weak.
- **4.2.5** Lack of capital. Capital is the lifeblood of enterprise development and running, and is one of the key factors determining the survival and death of enterprise. The registered capital of Pengshui basil cooperative is 2.1 million yuan. The capital is mainly used for the purchase of basil seeds, fertilizer and other means of production, the acquisition of members' basil, hiring of R&D technical staff, production, processing, sales and channel development.

The reason why the current cooperative lacks talent is the lack of capital. The specialized cooperative should use a variety of methods and channels to solve the problem of capital to make progress.

4.3 The development environment of the cooperative In the external development environment, the specialized cooperative

must take into account the impact of the market, society, institutions and policy environment.

- (i) The impact of the market environment. It is known that the olive oil, basil oil and other plant oils with health care function have emerged in the current market, and their market share is also increasing year by year. To a certain extent, it promotes the development of basil oil industry, thereby having a good impact on the benefits of cooperative, which is conducive to the participation of basil planting members.
- (ii) The impact of the social environment. With the development of China's economy, the scale of urbanization has been expanding, the quality of life of urban and rural residents has increased year by year, and the consumption capacity and level have continued to improve. As a kind of edible oil, the basil oil has attracted more and more attention to its nutritional value, which is also conducive to the development of specialized cooperative, but the specialized cooperative must seize the opportunity for reasonable marketing.
- (iii) The impact of the institutional environment. The establishment standard of rural specialized cooperative is not strictly controlled, and the checking system is unreasonable, leading to some "empty cooperatives" without any economic value, which occupy some of the government's resources for rural specialized cooperatives, so that the specialized cooperatives in true need of more resources are adversely affected, and even some immaculate specialized cooperatives follow suit to gain the unlawful benefit.

It causes the disappointment of the already engaged and potential growers in the rural specialized cooperatives, and the willingness to participate in cooperatives falls sharply.

(iv) The impact of the policy environment. At present, since the state advocates and launches the economic organization of farmer's professional cooperation, the state has given the corresponding subsidy to the rural specialized cooperatives which meet the national requirements, but there is no corresponding preferential policy in the cooperative taxation, and the government can give strong support in the taxation to promote the continuous development of rural specialized cooperatives.

5 Conclusions and recommendations

5.1 Conclusions On the basis of analyzing the current development situation of basil cooperative in Pengshui County of Chongqing Municipality, this paper uses the questionnaire survey and case study method to analyze the participation mode, participation motivation and satisfaction of specialized cooperative members.

Through the in-depth interviews with farmers, this paper sums up the existing problems in the cooperative members, specialized cooperatives and external environment.

- **5.2 Recommendations** In view of the current problems in the participation of members in Pengshui basil cooperative, the specialized cooperative should adopt the following effective measures.
- **5.2.1** Improving the overall quality of the members. It is necessary to make full use of the rural cultural activity centers to guide and educate for some problems such as lack of integrity, lack of self-discipline and lack of culture; cultivate rural cultural con-

struction leader and create a role model; lay strict demand on the words and deeds of specialized cooperative mangers to set an example for the members.

- **5.2.2** Enhancing the sense of cooperation between members. Through the regular education and training activities, internal journals, and slogans, it is necessary to improve the sense of cooperation between members, and use the one-on-one assistance activities to enhance the efficiency of the organization as a whole, and increase the emotional exchange between members of the organization, thereby enhancing organizational cohesion.
- **5.2.3** Strengthening the training work of specialized cooperative. Training is an organized knowledge transfer, skill transfer, standard transfer, information transfer, faith transfer, and management disciplinary action. Organizations can use training to unify mainstream values, unify skill standards, and enhance internal cohesion, to maximize organizational efficiency and more effectively achieve organizational goals.
- **5.2.4** Establishing a reasonable mechanism to attract talent. The development of specialized cooperatives must rely on professional talent.
- (i) It is necessary to improve the introduction mechanism of talent, and increase the investment in talent introduction.
- (ii) We must have the sense of core talent sharing interests, namely the shares and options, to protect the long-term stable development of cooperatives.
- (iii) It is necessary to establish a talent recall mechanism. For the bachelor graduates and master graduates from Pengshui studying in other regions, the specialized cooperative must develop the talent recall mechanism.
- (iv) There must be long-term talent planning. For example, after the end of the college entrance examination, the professional public welfare lectures can be held to give an objective description of agriculture-related majors for the high school graduates, and according to the actual situation of cooperative, some programs are put forward to solve the future employment problems of these students, so that we can cultivate the talent to meet the dire needs of specialized cooperative.
- **5.2.5** Establishing a sound distribution system. On the one hand, the price of the acquisition of basil must not be easily raised, and we can give some subsidies to create a good atmosphere of cooperatives and form a virtuous circle.

On the other hand, it is necessary to take the year-end dividends, year-end awards, holiday subsidies or gifts and the like, to enhance the planting members' sense of belonging for the specialized cooperative.

5.2.6 Expanding the product market and taking the brand development path. First of all, it is necessary to do a good job in product positioning, explore the core value of the product, and identify the target customers to clearly pass the use of value, so that the value of the product can be maximized. We must make full use of the network channels to promote and sell.

In addition, we can exploit the connotation of national geographical indication products to create a unique brand.

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