

**THE EXPERIENCE AND OPPORTUNITY OF IMPLEMENTATION OF
RESEARCH-BASED ACADEMIC EDUCATION AT TRADE CO-
OPERATIVE UNIVERSITY OF MOLDOVA**

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Abstract

The Lisbon Strategy and Lisbon 2010+ proposed to transform the EU economy in the most competitive and dynamic one, based on knowledge and capable of an economic and sustainable increase, with better jobs and an increased social cohesion. The Consumer Co-operation of the Republic of Moldova proposed itself a similar objective – to become a durable, competitive and efficient sector of the national economy and to recover its previous position.

Consumer Co-operatives of the Republic of Moldova have their own educational system with its own education institution, which offers educational and professional development programs in the field of co-operation. University researchers continuously monitor co-operative development problems and provide solutions for the improvement of co-operative activity.

In this paper, we will present several aspects of our experience in implementing research-based education at our University, focusing on the mission and on the image of co-operative system of our country.

Keywords: *research-based education, co-operative education, mission and image of co-operative.*

JEL classification: A230

1. Introduction

The Lisbon Strategy and Lisbon 2010+ document proposed to transform EU economy into the most competitive and dynamic economy based on knowledge, capable of an economic and sustainable increase, with better jobs and an increased social cohesion. The Consumer Co-operation of the Republic of Moldova proposed itself a similar objective– to become a durable, competitive and efficient sector of the national economy and to recover its previous position.

It is not possible to reach this ambiguous goal without the development of an educational system based on research, performance and excellence.

2. Co-operative education in the Republic of Moldova

Consumer Co-operatives of the Republic of Moldova have their own educational system. A retrospective vision highlights that co-operative education started in the 20s of the last century,

which later became a coherent and integrated system and includes all levels of professional education at present:

- vocational education (provided by Vocational school of Soroca),
- medium professional education (offered by Co-operative College of Moldova) ,
- higher and postgraduate education (offered by Trade Co-operative University of Moldova),
- adult education (re-qualification, development of professional skills).

We'd like to pay your attention to the fact that all mentioned above institutions are the only institutions in our country offering educational and professional development programs in the field of co-operation. In Moldova there are 33 higher education institutions, 48 Colleges, 75 vocational schools.

Trade Co-operative University is the coordinating institution for the whole co-operative education system.

In this framework the Educational Scientific Consortium of the Consumer Co-operation was formed (according to the decision of the Executive Board of the Central Union of Consumer Co-operatives of Moldova (Moldcoop)), which integrates all co-operative educational institutions and is open for collaboration with all interested parties.

At present Trade Co-operative University of Moldova passed academic and scientific accreditation and offers various programs in the area of:

- professional education (Bachelor and Master levels),
- doctoral studies,
- research programs (both at institutional and branch levels),
- partnership programs with co-operative entities and business environment.

During its evolution, the University affirmed itself as an open system collaborating with all partners (Figure 1).



Figure 1: Trade Co-operative University of Moldova partnerships

One of the fundamental objectives of Trade Co-operative University of Moldova is to support the development of the co-operative movement in the Republic of Moldova through research-based education. During its 18 years of activity the University developed co-operative education university curricula for various-levels.

At all three levels (Bachelor, Master and Doctoral) the university curricula includes courses or special topics of co-operative issues.

For example, university curricula at Bachelor level includes specialized courses on:

- the history of Consumer Co-operation,
- the economy of Consumer Co-operation.

These courses include topics regarding the international experience of co-operative movement, the history of this movement in Moldova and the study of the evolution of economic development of co-operative system in our country.

Beyond this, other general or specialized courses include topics regarding specific issues of Consumer Co-operation.

3. Complementarities of the research-based academic education components at Trade Co-operative University of Moldova

An important aspect of co-operative education within the competitive market environment is the formation of entrepreneurial awareness.

We would like to mention our experience in the international and inter-university co-operation within the framework of the TEMPUS Project JEP -0000-2008 “Development of University-Enterprise Partnership” and its component – “Entrepreneurship-starting business” program that focuses on the development of entrepreneurial skills of students.

The above is of great interest for our university because it perfectly fits in one of the main objectives of the International Year of Co-operatives - youth involvement in entrepreneurship through cooperation. As a result, an entrepreneurship course has been introduced in the university curricula aiming the active involvement of practitioners in the educational process.

The experience gained within this TEMPUS Project has shown that students need to maintain their will to develop entrepreneurial skills.

In order to facilitate the access of students and business entities to business consultancy, the University set up “Mercurius” Centre for Business development, consultancy and expertise. It must become a new and efficient source of knowledge transfer to the business environment by involving the students in this process. This is a good option for students – they can develop and test their business plans prior to starting their own business.

In this context, one of our objectives is the organization of a business incubator for developing original business ideas and plans, where our students can incubate their own business ideas.

The University supports research as a basic component for the assurance of education quality. University research is a source of innovation for both the educational sector and for the co-operative environment of the country.

In 2009 our University obtained scientific accreditation, at national level, in the area of “Economy and management of trade and consumer co-operatives’ development” (according to the Code of Science and Innovation). As well, the University obtained the status of science and innovation organization. This offers more possibilities for participation in different national and international research projects.

Nowadays we carry out research in various areas, focusing mainly on the co-operative and trade development.

In 2010 our University opened the Research laboratory in trade and co-operative activity, allowing concentration of research on specific problems with an impact on the real sector of the economy.

In 2011 Trade Co-operative University started a big research project “Substantiation of Trade and consumer co-operation modernization in terms of their involvement in the sustainable socio-economic development and consumer protection”. The project is scheduled for 2011-2014 period being the first project financed from the public budget (our university became the first private institution receiving state budget resources for research). Under the project, during this year the following will be developed:

- a study on the situation of the domestic trade,
- requirements to the qualifications of the trade employees demanded by Law of domestic trade (to be presented to the Ministry of Labor, Social Protection and Family of the Republic of Moldova).

The outcomes of the project will be reported to the Ministry of Economy of the Republic of Moldova.

In this context, we should mention that trade is the branch having a dominant share in consumer co-operative turnover (over 90%). That is why the results of this research will also have an impact on the national co-operative system.

Meanwhile, our University participates in the elaboration of *2012-2014 Strategy for Moldovan Consumer Co-operatives development*, which must be approved at the XVth Congress of Consumer Co-operatives by the end of this year or at the beginning of next year.

Certainly, both students and doctoral students are involved in this research. Its results are to be used for the professional formation of our university graduates.

The applied character of research as well as its integration into education contributes both to the development of practical skills of students and to the formation of scientific approach to development and efficiency problems.

4. Research on the evolution of Moldovan society perception of co-operatives’ mission and image

University researchers permanently monitor co-operatives’ development issues and develop solutions to improve co-operatives activity. One of these studies focuses on the research of evolution of Moldovan society perception of co-operatives’ mission and image; promotion of co-

operative movement and evaluation of co-operative image as well as the impact of the system on the socio-economic development of the society.

Further in this paper we will present some aspects from our experience regarding the implementation of research-based education at our University through the study focused on the mission and image of co-operative system of our country.

The message and the image of the international co-operative movement demonstrate clearly the social co-operative commitment, along the years having been created a favorable and positive perception of co-operatives in the Western society. Throughout the educational cycle, undergraduate, master or doctoral students learn topics covering international co-operative experience, putting the results of studies on co-operative case in Moldova:

Firstly, recent studies conducted by International Co-operative Alliance show a better resistance of co-operative companies compared to other types of companies during financial and economic crisis. This is also available for Moldovan co-operative sector. Before 2007-2008 crisis the annual growth trends of sales turnover in the co-operative system were above 14% (2007 – 14.8%, 2008 – 14.5%) [5]. Even after the crisis, putting aside the optimistic consideration that the worst part of the crisis passed, the system resisted with an approximate annual growth of 5% at the end of 2010. The strategy for rehabilitation and modernization of commercial units belonging to the system led to a certain growth of their number even in 2010 (7 units opened, 62 were modernized) [6]. The mentioned results prove that co-operative companies remain viable in the Republic of Moldova in the same manner as in the international economic environment and co-operative system succeeded to maintain its ascending development in 2010 as before the crisis.

Secondly, in the same way, the social connotation of co-operative model of the company multiplied by its increased capacity to resist crisis situations confirms the importance of state (Government) support for the co-operative sector. Lack of state support for co-operative companies, which represent a value-based enterprise model, slows down the ascending development of this sector in the Republic of Moldova, which profitable and stable activity is an element of vital importance for a healthy economic system. During the crisis period it is of vital importance for emerging countries to support companies having strong social commitment, companies having the reputation of supporting local economic development. From this point of view, co-operatives represent one of the best forms of economic organization, especially for small businesses, because they make possible the concentration of co-operators' efforts with the aim to obtain beneficial results for all participants. For this reason it is extremely important to study the procedure of foreign co-operatives, especially their best practices, and to implement them in the local environment.

We consider that the strategy of national economic development inevitably should include actions supporting the co-operative model in order to assure a powerful and balanced economic system, especially in rural regions where the main activity of co-operatives is focused.

Thirdly, the decreasing trend of co-operative members' number, which began in the 90's of the last century (Figure 2), confirms the continuation of progressive decrease of interest on behalf of former members [3]. This trend is rather worrying taking into consideration their joint activity along decades.

Currently, the co-operative movement in the Republic of Moldova is not considered an activity characterized by a strong social vector. The results of the survey conducted in the framework of

our research confirm that in the population's perception the importance of lucrative vector is most appreciated compared to that of the social vector.

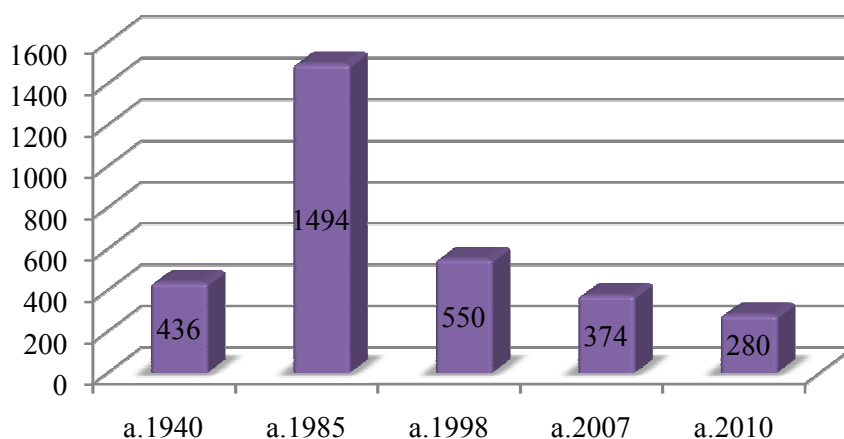


Figure 2: Evolution of the number of associate members of Moldovan Consumer Co-operatives

The mission of the company is an extended expression of its fundamental objectives, concept and philosophy of its activity, by which it can be distinguished from the point of view of its members and customers.

The International Co-operative Alliance in its definition of co-operative identity insists on the community of aspirations of its members: a co-operative is an autonomous association of persons united voluntarily to meet their common economic, social, cultural needs and aspirations through a jointly-owned and democratically-controlled enterprise [7]. By their clearly defined mission the co-operative companies of the Republic of Moldova can reiterate their adherence to basic values: self-help, self-responsibility, democracy, equality, equity and solidarity. In the tradition of their founders, co-operative members believe in ethical values such as honesty, openness, social responsibility and caring for others [7].

The Coop image is perceived as an equivalent to a business with respect to equitable, durable, ecological, etc. values. By gathering world experience of co-operatives' activity, the International Co-operative Alliance made a successful application of a whole very rich pallet of graphic signs [7], indicating the diversity of centers of concern and strategic interest of this organization, thus obtaining the synergistic effect of co-operative effort of the global co-operative environment. The cumulated effect of applying in the Republic of Moldova the world experience and good practices of co-operative activity through an extremely rich pallet of graphic signs to highlight the diversity of their centers of concern and strategic interest shall make possible the synergistic effect of the global co-operative system effort into our local co-operative environment. Of course, this diversity of strategic interest centers must be used as reference for strategic targeting of co-operative activity in the Republic of Moldova.

The image perceived by a national co-operative company is different compared to various co-operatives in the world. Even in the same country such image could change over time. The Republic of Moldova displays an eloquent example in this respect.

Fourthly, when studying various co-operatives' achievements, even in crisis periods, sometimes better characteristics can be noticed compared to other forms of economic organizations. This is

surely the result of certain convergence of co-operatives achievements related to their mission and image.

In 1995 the International Co-operative Alliance adopted the revised Co-operative Principles and Values and added the seventh principle – “Concern for Community” [7]. Consumer Co-operatives of the Republic of Moldova have always had a social character, their particular sphere of interest being the rural population. Under these conditions the national co-operative mission is to focus on raising the living standards in rural areas to a higher level – to that of the urban population.

In the same context, the Law on the Consumer Co-operation of the Republic of Moldova (No. 1252-XIV adopted on 28.09.2000) considerably reduced this vision over the values and principles declaring the following 4 main objectives for the organization of Consumer Co-operatives in the Republic of Moldova:

- ↳ Meeting the interests and requirements of co-operative members;
- ↳ Creation and development of infrastructure, enlargement of consumption co-operation;
- ↳ Consumer protection;
- ↳ Influence on the consumption policy, etc.

Fifthly, in order to understand the evolution and the current stage of co-operatives’ image and mission in the perception of the population, we conducted a three-stage sociological study employing an integrated use of qualitative and quantitative research techniques:

- ✓ Questionnaire and sample survey design;
- ✓ Qualitative stage including survey carrying out;
- ✓ Qualitative stage including two group discussions on the survey carried out in order to obtain reference material to evaluate population’s perception of co-operative companies in various areas of the country.

Respondents from our students’ regions were questioned; several students came from co-operative families being already aware of co-operative system; therefore one can conclude that the population is conscious of the co-operatives’ importance and their role in the society.

The survey was carried out with the contribution 50 students, each questioning 5 to 10 persons from the surroundings and geographical areas of their parents or relatives. Thus, we obtained answers from all geographical areas of the country. Three hundred and fifty persons were questioned on the mission and the image of co-operatives. Even in this selected sample the survey pointed out that hardly 50% of the questioned population knew or heard something about the consumer co-operation (Figure 3).

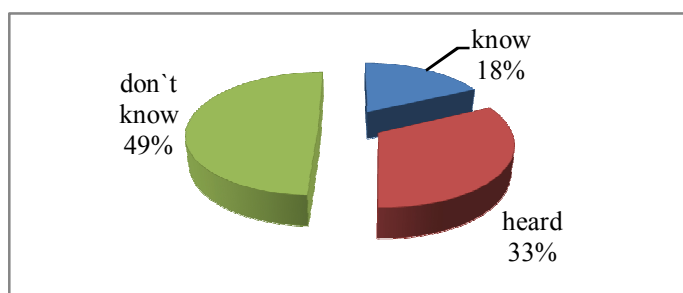


Figure 3: Distribution of answers regarding respondents’ knowledge of Moldovan co-operation system

Based on the initial evaluation of survey results, one can conclude: both the image and the mission of the co-operation in the Republic of Moldova indicate a certain lack of coherence with the principles and values of global co-operative environment expressed as an absence of clear values hierarchy as well as an ambiguity of objectives which sometimes, in our opinion, cannot be realized – for example, consumer protection or the influence of the consumption policy. Beside certain deficiencies regarding current economic development of co-operatives and despite the growth of sales turnover, co-operatives cannot propose yet a large array of products within sales outlets, whether these are locally manufactured products or a range of “bio” products, etc.

The results of our survey showed that the younger the person is, the more explicit is his/her expectation concerning co-operatives commitment to environmental protection, support of local producers, modernization, etc. (Figure 4a and 4b).

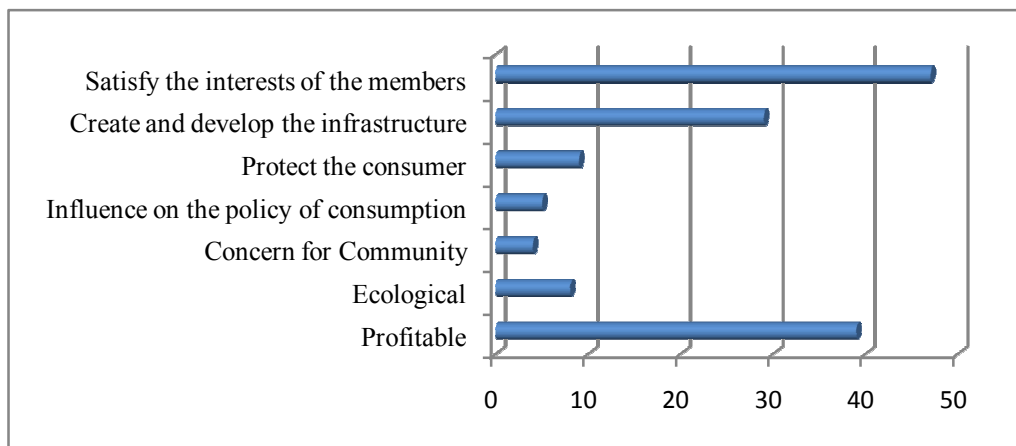


Figure 4a: Distribution of respondents' (20-35 years of age) answers regarding their appreciation of the Moldovan co-operation system impact

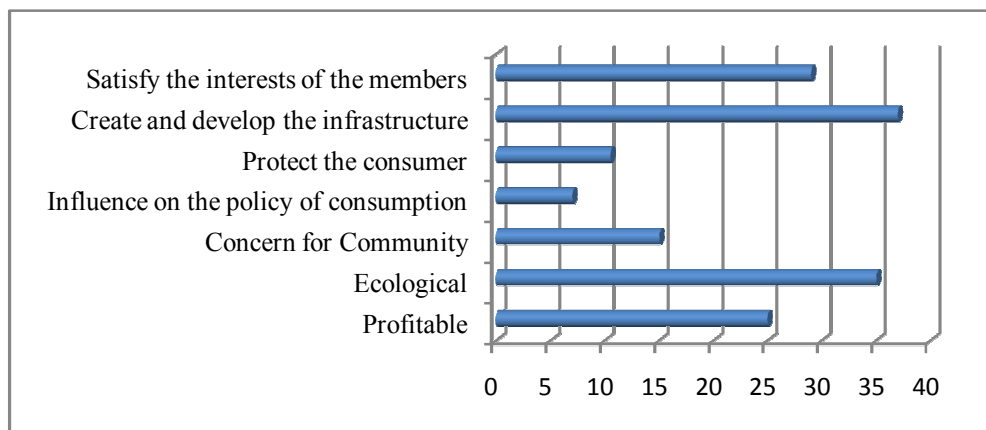


Figure 4b: Distribution of respondents' (45 years of age and above) answers regarding their appreciation of the Moldovan co-operation system impact

On the other hand, aged people, especially those who were employed by or were members of co-operatives consider them advantageous and appreciate the support of co-operative members.

The survey allows concluding that despite the economic growth Moldovan co-operative system experiences a relative lack of image and the population does not distinguish the specific character of co-operative enterprises based on values. Nevertheless, the appreciation of its protective role by

co-operative members can be considered a positive factor. But, of course, in order to redefine the mission and the image of the co-operative company model, a complete and much broader sample survey needs to be carried out, questioning population from areas exceeding the neighborhoods of our students.

The co-operative model of economic activity became a research subject of particular importance mainly in 2008-2009 on the grounds of strong impact of financial and economic crisis on the development of the world economy.

Our studies showed that young people are expecting the modernization and certain re-definition of the mission and even of the current image of co-operative system of the country, implementation of new ideas, forms and solutions. Current priorities and objectives of the system must be re-considered in order to make the co-operation more visible, especially in terms of values and social responsibility.

These are the results of research carried out by the university. This study demonstrates the opportunities available to the university with regard to:

- re-definition of co-operative image of Moldova,
- upgrade of co-operative activities based on innovative approaches,
- identification of government support forms for co-operative activity,
- evaluation and minimization of risks resulting from the re-activity of the system,
- diversification of co-operative activity forms,
- attraction of investments.

5. Conclusion

In conclusion, we would like to mention that the study of co-operative development issues in Moldova is a priority for our university since it represents the foundation of research-based education.

Anyway, the University is in permanent search of new ideas, opportunities, solutions oriented towards the increase of university education and research quality, developing training of professional and competent graduates, based on knowledge requirements of the economy of the future.

Therefore, our next steps are:

- Development of international academic mobility of students and teachers, mainly in the co-operative field;
- Creation of “Enterprise – University” cluster within the co-operative sector;
- Creation of students and employees Consumer Co-operatives within our University;
- Organization of a business incubator (for the development of original business ideas and plans by our students);
- International collaboration with other co-operative universities.

In the meantime, in the context of 2012–IYC, together with special programs dedicated to this event we have launched a co-operative education program for young people and children in the spirit of worldwide and national co-operative values, promoting it in schools.

We particularly appreciate and would like to extend collaboration with other universities in the world. There is a saying in our country: “Where there is one person there is no strength, where there are more - the power increases”. We are aware of the fact that our success is modest in comparison to possibilities and advantages offered by international collaboration. Namely, co-operative universities must show an example of “co-operatives co-operation”.

In this context, we consider necessary to create an Association of Universities for the promotion of education and research programs in the area of co-operation aiming at:

- Exchange of experience and transfer of good practices of educational and research technologies;
- Promotion of joint programs (scientific, cultural events, etc.);
- promotion of co-operative values through universities at international level;
- Exchange of ideas, options, solutions for the development of co-operative sector.

The future belongs to young generations and their co-operation assures a better future.

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