

# Research on Cognitive Legality Acquisition Mechanism of Cooperatives

## --Based on the Case Analysis of the Rural Cooperative Survey

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### ABSTRACT

Based on the collation and learning of the existing relevant literature, the adaptation environment and control environment strategies in the legality acquisition strategy are applied to cognitive legality acquisition. This article will further analyze the cognitive legality acquisition mechanism under these two strategies. Inquire into it. This article selects the three cooperatives surveyed for case analysis, and concludes that the cooperatives adapt to environmental strategies to obtain cognitive legitimacy from (non-) members, and use control environment strategies to obtain cognitive legitimacy from other cooperatives. Since the three selected cooperatives are in the start-up period, growth period and maturity period, it can be concluded that the start-up cooperatives mainly obtain cognitive legitimacy through the strategy of adapting to the environment, and the growth period cooperatives gain cognition through the two strategies of adapting to the environment and controlling the environment. Legitimacy. The focus of the mature cooperatives in acquiring cognitive legitimacy is to use control environment strategies.

**Keywords:** *Cooperatives, adapting to the environment, controlling the environment, acquiring cognitive legitimacy*

## 1. LITERATURE REVIEW

### 1.1. Legality Review

Legitimacy first refers to the consistency of group organization activities with established mandatory structures and rules [1, 2]. Different scholars have similar definitions of legitimacy. The most inclusive definition of legitimacy is that in a social construction system composed of factors such as value, norms and beliefs, the actions of an entity are generally assumed or considered to be valuable, suitable and correct [2]. Suchman (1995) believes that cognitive legitimacy reflects the consistency of beliefs of certain social groups and groups with legitimacy, and therefore recognizes. Knowing the legitimacy depends on whether these groups are recognized [2, 3]. Legitimacy is divided into normative legitimacy, regulatory legitimacy and cognitive legitimacy [3].

### 1.2. Review of Cognitive Legitimacy

Cognitive legitimacy reflects the consistency of beliefs between groups with certain legitimacy and certain social

groups, so cognitive legitimacy depends on whether these groups are recognized [4]. Scott (1995) believes that cognitive legitimacy refers to the assumptions taken for granted, beliefs widely held by society, and belief systems spread by knowledge groups, etc. [4]. The cognitive legitimacy of an enterprise comes from the perception of its stakeholders about its capabilities and future development potential [4, 5]. Some scholars have put forward different opinions. Cognitive legitimacy refers to some practical tools to help organizations succeed, and also includes legal legitimacy at the moral level [5].

### 1.3. Overview of Legitimacy Acquisition Strategies

There are various definitions and dimensions of legitimacy acquisition, which leads to different ways to acquire legitimacy. Oliver (1991) summarizes five types of legitimacy acquisition based on the degree of matching between organization and environment from low to high. Mechanisms: obedience, compromise, resistance, evasion and manipulation [5]; Based on these five acquisition mechanisms, Suchman (1995) condensed three acquisition mechanisms for adapting to the environment, selecting the environment, and controlling the environment [5, 6]; then Zimmerman (1996), etc. On this basis, the creation of an environment as a strategy to obtain legitimacy was

added[6]; some scholars believe that the strategy of legitimacy acquisition is divided into selection environment, compliance environment, and response environment [6]; currently the most widely accepted legality acquisition mechanism division is to comply with the environment, choose the environment, control the environment and create the environment [7].

#### ***1.4. Cooperative Cognitive Legitimacy Acquisition Strategy Overview***

The acquisition of cognitive legitimacy of cooperatives is achieved by adapting environmental strategies and controlling environmental strategies [7, 8]. The strategy of adapting to the environment refers to adapting to the existing institutional logical framework and obeying the existing social structure; the strategy of controlling the environment refers to actively changing the environment to obtain legitimacy. Suchman (1995) believes that control includes the establishment of preemptive intervention based on the support of the unique needs of the organization and the control of the environment means a new interpretation of social phenomena [8]. Acquiring the specific meaning of cognitive legitimacy by adapting to environmental strategies is reflected in imitating existing standards, standardizing operating models, and professional operation and production; achieving the specific connotation of cognitive legitimacy by controlling environmental strategies is reflected in the continuous delivery of its own ideas to the public. Promote the new model and institutionalize the new model [8, 9].

## **2. CASE ANALYSIS**

This article selects three cooperatives as the research sample. These are Qingtang Town Shegang Village Vegetable Cooperative, Fengshan Township Donghe Village Zilian Zishan Pharmaceutical E-commerce Poverty Alleviation Cooperative, Shicheng County Huafeng Livestock Professional Cooperative, through case analysis on the mechanism of adapting to the environment and controlling the environmental impact of the cooperative's participation mechanism For analysis.

### ***2.1. The Mechanism of Adapting Environment Strategy to the Participation of (Non-)Members.***

Imitate existing standards. Joint-stock cooperatives in which existing cooperatives take various forms of shares. Structurally, the cooperative society has levels such as council, board of supervisors, and member meetings. These three cooperatives are all joint-stock cooperatives. The existing organizational levels of the Shegang Cooperative include township heads, presidents and members; the existing organizational levels of Donghe

Cooperative include the chairman, the council and the members; all organizational departments of the Shicheng Cooperative include the directors 12 organization-level departments including the committee, the board of supervisors, and the general meeting of members. The management level and organizational department of the Shicheng Cooperative are the most complete and the most complete, which proves that the cooperative has the strongest ability to adapt to the environment.

Standardize operations. The standards followed by the cooperative and whether it has its own brand reflect the degree of regulation of the cooperative's operations. The planting seedlings, planting technology and greenhouse construction technology of Shegang Cooperative come from Shandong Shouguang, which specializes in greenhouse vegetables, following the unified standard, and the brand of "selenium-rich vegetables" is about to land. Donghe Cooperative implements a standardized management system, follows the principles of e-commerce transactions, and has its own brand-Sanbai Mountain, All aspects of purple yam planting are tested for safety standards. The Shicheng Cooperative follows the standards and has the trademark "Ganyuan". In general, the three cooperatives' operating models all follow basic standards and have a strong brand awareness.

### ***2.2. The Mechanism of Controlling Environmental Strategies on the Participation of Other Cooperatives***

Pass on new ideas and new models. Whether the cooperative has the ability of independent innovation, that is, innovation in mode, management or technology. The establishment of the Shegang Cooperative was short, and it was temporarily in the stage of imitation learning. The Donghe Cooperative realized the innovation of its operation model and formed the operation mode of "e-commerce + poor households + cooperative + base", which solved the difficulty of selling purple yam. The Shicheng Cooperative has successfully built a "cooperative + credit cooperation department + base + farmers (poor households)" operating mode, and breeding technology innovation, double the benefits, has formed a management structure similar to commercial enterprises.

Take the initiative to promote. The initiative is embodied in the initiative of the cooperative to take action, which shows the initiative of the cooperative's growth and development. Shegang Cooperative is still in the initial stage of passive auxiliary development relying on government policies and funding; Donghe Cooperative has begun to maintain close contact with other cooperatives, actively convey its own behavior and ideas, and actively help other cooperatives solve problems. The right to speak is more persuasive, but the scope is smaller; the Shicheng Cooperative has closer ties with other cooperatives and has a greater right to speak. It has held many networking activities and got along well with each other. Many cooperatives come to learn actively.

### 2.3. Cognitive Legitimacy Acquisition

Scale size. The scale is specifically expressed by the number of members of the cooperative and the growth rate of the cooperative from its establishment to the present. As of the end of 2018, there were 11 members of Shekang Cooperative Society. When Donghe Cooperative was first established, there were 104 cooperative members. At the end of 2018, there were already 143 members, with a growth rate of 37.5%. When the Shicheng Cooperative was first established, there were 7 members. At the end of 2018, there were already 1978 members. The growth rate of the members was 17882%. Therefore, it can be concluded that the scale of Shekang Cooperative is the smallest and there is no growth, the scale of Fengshan Cooperative is middle and the growth rate is slow, and the scale of Shicheng Cooperative is the largest and the growth rate is the fastest.

Trust level. The ability of the cooperative to control the environment is reflected by the trust level of other cooperatives. The relationship between Shekang Cooperatives and other cooperatives is relatively elementary, with low frequency and less active learning and communication. Donghe Cooperative has high frequency with other cooperatives. The cooperative's purple yam cultivation and production technology is mature and the e-commerce sales channels are wide. It actively helps other cooperatives to solve sales problems. It has a greater right to speak and gains high trust from other cooperatives. The Shicheng Cooperative has a high frequency of exchanges with other cooperatives, and will actively pass on its business philosophy to other cooperatives. Other cooperatives are very willing to listen to and learn from, and the cooperative has a high degree of trust.

Cognition. Reflect the degree of cognition that the cooperative can obtain through the understanding degree of other cooperatives on the concept of transmission. Cooperatives, on the basis of gaining the trust of other cooperatives to listen, further enable other cooperatives to recognize the messages transmitted by the cooperatives. Shekang Cooperative has not gained any recognition from other cooperatives for the time being. The e-commerce enterprises of Donghe Cooperative are characterized by the cooperative model, as well as their own technology, management concepts and experience in various aspects, which are all being transmitted and recognized. The Shicheng Cooperative has gained a high degree of trust from many cooperatives, and these cooperatives have a very high level of understanding of the information transmitted.

### 3. CONCLUSIONS

First, the acquisition of cognitive legitimacy of cooperatives includes two paths: adapting to the environment and controlling the environment. The strategy of adapting to the environment is aimed at members and non-members. Cooperatives adapt to the environment by imitating existing standards and regulations to obtain cognitive legitimacy. The strategy of controlling the environment is aimed at other cooperatives. Cooperatives pass new ideas and conduct actively promote to control the environment in order to obtain the cognitive legitimacy from other cooperatives.

Second, the stronger the ability to adapt to the environment, the higher the cognitive legitimacy that the cooperative can obtain. The case analysis of the three cooperatives in this paper shows that the enhancement of the ability to adapt to the environment is reflected in the improvement of the similarity and standardization of the cooperative structure. Adapting to the environment helps the cooperative to achieve cognitive legitimacy by increasing the similarity between the cooperative structure and the standard model and improving its own standardization.

Third, the stronger the ability to control the environment, the higher the cognitive legitimacy that the cooperative can obtain. Through case analysis, it can be concluded that the enhancement of the ability to control the environment is reflected in the enhancement of innovation ability and initiative. The control environment helps the cooperative to achieve cognitive legitimacy through the cooperative's improvement of its own innovation ability and initiative.

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