

Types of Co-operatives

A co-operative is a different way of doing business. As such, the co-op model can be used by many types of organizations, non-profit or for-profit. A key difference between a traditional structure and a co-op's structure comes in the order of priorities which, for a co-op, are to first meet the needs of its membership in a productive, self-sufficient and socially responsible manner.

A growing number of people in Sri Lanka, and around the world are recognizing the benefits of doing business the co-op way and although every co-op is unique, here are five key types:

1. **Multi Purpose co-operatives:** They provide their members with goods and services for their personal use. *Examples: Food, credit unions, housing, insurance co-operatives, etc*
2. **Worker co-operatives:** The purpose of these co-operatives is to provide their members with work by operating an enterprise. The co-operatives are owned by their employee members. *Examples: forestry, leisure, production and manufacturing, tourism, communications and marketing, etc.*
3. **Producer co-operatives:** Some co-operatives process and market their members' products and services directly while others may also sell the input necessary to their members' economic activities. *Examples: Agriculture co-operatives, pooling of equipment, advisory services, etc.*
4. **Multi-stakeholder co-operatives:** The membership of these co-operatives is made of different categories of members who share a common interest in the organization. *Examples: home care services, health services, community services, etc.*
5. **Worker-Shareholder co-operatives:** *These are incorporated co-operatives that hold partial ownership of the business in which the co-op's members are employed. Because of its share capital, the co-operative may participate in the management of the business and the workers may influence work organization. Examples: production and manufacturing, technology, etc.*

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