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# What Are the Conflicting Tensions in an Italian Cooperative and How Do Members Manage Them? Business Goals', Integrated Management, and Reduction of Waste within a Fruit and Vegetables Supply Chain

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**Abstract:** Social enterprise is a model of hybrid organization driven by the need to generate positive externalities by reinvesting their surplus for social and environmental objectives. One of the biggest problems arising from joining financial goals with social goals is the presence of increasing tensions between the members and stakeholders involved. Nevertheless, there has not been enough focus on how managers, employees, and stakeholders respond to the tensions caused by contradictions and how they try to reach a balance between financial, environmental, and social goals. Therefore, the present study is aimed at investigating how members of an agricultural cooperative in the Apulia region (Italy) try to join the organizational forms of business and social values, namely, the sustainable practices related to CO<sub>2</sub> emission reduction, resource use efficiency, and food waste mitigation. Additionally, the study goes further and explores whether and how these contradictory pressures are solved. Starting from the sensemaking approach, the study carried out an inductive case study through the use of a multiple case study design and in-depth interviews. The findings highlight the following two novel aspects: (1) Managers prefer to adopt a cumulative mitigating hybridization approach and (2) a weak integration can be noticed between social and commercial dimensions, originating from a lack of holistic perspective and poor interorganizational communication.

**Keywords:** social enterprises; hybrid organization; competing logics; agricultural cooperative; sustainable production

# 1. Introduction

During the last 30 years, we have observed, for the first time, growth in the number of organizations that run at the juncture of the social and commercial sectors. These organizations, often called "social enterprises" (SEs) represent a type of hybrid organization that combines social missions with financial self-sufficiency [1–3]. In these organizations, the business is not driven by the need to maximize profit but to generate positive social and environmental externalities by reinvesting their surplus for social objectives, including the reduction of poverty, carbon emissions, wealth giving, and community development [4].

SEs represent a combination of business and social values. Indeed, more and more, the objectives of firms are aimed at social responsibility activities, and, conversely, non-profit organizations (NPOs) increasingly deal with commercial activities in order to find funds complementary to their philanthropic

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activities [5]. Lastly, there has been growing pressure on private enterprises to become more transparent and reveal information about their sustainable performances. This pressure increases the need of SEs to reconsider their operations and become more transparent and more sustainable by embracing innovative green business models to overcome the global challenges [4,6]. The development of substitute green business models, as a sustainable way to create, deliver, and capture values within the triple bottom line (economic, environment, and society), is touted as fundamental to the support of firms in reaching their economic-sustainable goals [7,8]. To reach sustainable performances, SEs need to formalize new strategies aimed at meeting environmental protection requirements [9,10].

Among several causes of the increase in pollution, food waste contributes to increasing global greenhouse gas (GHG) emissions and unsustainable usage of water, land, and energy [11,12]. Given the many negative effects have been associated with food waste generated along the chain, several national authorities and non-government organizations have developed ancillary multi-stakeholder strategies for the sustainable use of primary resources. These strategies aim to lower their use in the upstream level of the chain and their waste across the agri-food supply chain [13–16]. Therefore, firms and farms try to adopt strict socio-environmental practices to prevent and lower the food waste generated at any stage of the chain [17]. Difficulties can arise for SEs when trying to combine divergent economic, environmental, and social goals because of their contradictory pressures.

This paper contributes to current debates regarding operational tensions [18] by empirically illustrating how tensions originate from the singular visions and value sets of the different stakeholders involved and how their individual sensemaking influences how they shape their strategies and actions. Weick [19] viewed the presence of multiple interpretations as "equivocality." Many research articles of sensemaking have investigated how equivocality triggered sensemaking within organizational boundaries [19]. Nevertheless, as organizational entities depend on other organizations, the sensemaking processes of individuals do not just occur in one organization [20]. Sensemaking can also arise across organizations, predominantly in social enterprises, in which achievements and failures are common and collectively shared. In these scenarios, participating stakeholders frequently cooperate with individuals in other organizations to understand the general mission and tactical positioning [21] of the overall social enterprise in order to get a sense of the conflicting tensions between social and private business goals. By applying the sensemaking theory, we can provide additional insights into how different stakeholders can conceive the bond between opposing demands [22].

Therefore, the purpose of this work is to investigate the nature of the different tensions that arise when trying to simultaneously deliver different goals, business activities, sustainable practices ( $CO_2$  emission reduction, resources use efficiency, and food waste mitigation), as well as create social values. Additionally, the study explores whether and how the cooperative's members solve these contradictory pressures. We developed a detailed case analysis of one of the most important fruit and vegetable (F&V) cooperatives in the Apulia region (Italy), and the results should help empower producers and ensure them of capital distribution and a stable income.

The paper is presented in the following structure: The next section presents theoretical literature on the hybrid nature of social enterprises and investigates the role of agricultural cooperatives and how managers, employees, and stakeholders deal with tensions and pressures. Then, materials and methods are described. The Section 4 shows and discusses the findings. The final sections, Discussion and Conclusions, conclude the paper and provide suggestions for future research.

## 2. Literature Review

# 2.1. Difficulties in Managing Processes in a Hybrid Organization

In the last few decades, social enterprises have increasingly spread, gaining a global prominence [23]. Although there are relevant differences in the realization of the related underlying concept (for example, in the USA they put more emphasis on revenue generation and business

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opportunity exploitation [24], whereas the European social enterprises devote more consideration to social value design and participative handling [25]), research studies exhibit convergent views on the main characteristics of social enterprises.

SEs include several stakeholders in the achievement of their social goals across the business schemes they are in [18]. Indeed, these organizations are mission oriented and operate in the market to resolve multifaceted social issues [1,26]. Given this nature, as a central part of their functioning, they include two managerial models, i.e., "business" and "social", dealing with differing and incompatible reasons and purposes [1,27]. On the one hand, the business part is more systematically connected to rational [28] and selfish goals [27] and values. On the other hand, within the social part, altruistic-social incentives are more prevalent [27], together with values [28,29] and objectives [30]. Addressing the combination and mixing of these two potentially conflicting schemes is a relevant challenge for these organizations [18,30]. Therefore, these integration efforts often lead to the emergence of contradictions and tensions, mainly because of their attempt to prioritize initiatives and strategic actions within their organizational boundaries [2,3,22,30]. Indeed, previous studies have emphasized the risk that these tensions could affect the realization of the social mandate and mission for the social enterprise [3,31,32].

Most of the research on the tensions within a social enterprise has adopted a mere descriptive approach, reporting different typical applications of the concept of social enterprise [33] or stressing the booming quantity of organizations and supportive associations [34,35].

Studies with descriptive approaches have also debated the number of stakeholders, which could be a crucial factor in social enterprises. For example, Kania and Kramer [32] claimed the reason for effective systemic initiatives was the high number of stakeholders. Along this line, Yunus [36] described the successful experience of the Grameen group, which could enlarge its offerings and develop new products by means of assorted partners (for example, Telenor and Danone).

Other studies have embraced an instrumental-normative argument to try to address tensions among stakeholders' demands [35]. Through an instrumental approach, scholars suggest that the possibility for a social enterprise to achieve success depends on the existence of mutually beneficial relationships among multiple stakeholders. Following this approach, themes of community integration, trust, sympathy and cooperation with a large set of stakeholders frequently emerged as elements creating advantages across all the stakeholders [18]. Research studies adopting a normative perspective give, instead, relevance to criteria around power, legitimacy, and urgency for evaluating the moral importance of claims raised by a different set of stakeholders [32].

More recently, a paradox theory appears to be functional for understanding the nature of these multiple tensions and to how to manage them. Paradoxes regard "contradictory, yet interrelated elements—elements that seem logical in isolation, but absurd and irrational when appearing simultaneously" [37] (pp. 760). Social paradoxes deal with how actors define temporal—spatial limits [38,39]. However, as the logical or rhetorical paradox, in social paradoxes, contrasting elements endure to be present at the same time and continue over time [40].

Within this context, research studies have started to increasingly identify the paradoxical and reciprocally relations between social tasks and business models within SEs. For instance, several authors [41] have analyzed how paradoxical tensions affect tactical decision making, as stakeholders struggle to comply with social goals and business chances, whereas it is necessary to prioritize them. Accordingly, Jay [22] discussed the role of the paradox as a tool of change and innovation in such hybrid organizations. Some other research studies have been done on how paradoxes present themselves as conflicts within the social enterprise. Among the others, for example, the study of Cornforth [42] highlighted the tensions experienced by board members with respect to the need to cover autocratic and democratic roles at the same time.

Along these lines, other research studies have offered insights into strategies for addressing paradoxical tensions. For example, Smith, Besharov, Wessels, and Chertok [41] proposed that to handle contradictory pressures, leaders need to own specific capabilities to accept paradoxes, distinguishing between conflicting demands and simultaneously integrating among them.

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Despite the different approaches used to analyze tensions, current research approaches do not offer sufficient insights on the mutual origin of social mission and corporate ventures [18].

Therefore, by relying on an initial study of Cambridge Energy Alliance [22], we propose to use the sensemaking theory to shed light on the tensions that cross multiple stakeholders within the social enterprise. The sensemaking theory can provide a further understanding on how stakeholders view the relationship among rival demands [22].

## 2.2. Investigating the Agricultural Cooperatives and Replying to Tensions by Organization Members

Understanding how managers, employees, stakeholders, and partners of SEs respond to the tensions caused by contradictions and how to achieve a balance between social and individual goals represents an issue to be explored. Before increasing attention in SEs, entrepreneurs have shaped firm models by linking charity and commercial sectors, for example, cooperatives and mutual associations [1].

Over the last few years, copious studies have concentrated research on the role of cooperatives in filling significant needs of communities. Cooperatives are present in all sectors across the world and have become important in economic life for reaching business and social goals. A study by FAO [43] highlighted that over one billion people are members of cooperatives and more than 100 million jobs derive from cooperatives. Cooperatives are dissimilar from other business enterprises; cooperative members are equal and control the cooperative, and their main aim is to supply goods or services only for the same members [44].

The success of a cooperative depends on several factors and the quality of management and leadership is crucial. Members have access to the managerial processes and can decide financing, governance, and strategic choices. Members, being different, have different preferences and different levels of influence, and thus conflicts can arise [45]. These indefinite property rights create more conflicts when cooperatives develop a composite structure due to social mission design tensions [46,47].

In particular, agricultural cooperatives represent an answer to the global challenges that have seen farmers as victims of the market in agreements [48]. Indeed, cooperative theory advocates the preeminence of specific stakeholders, such as members and an organizational board, and thus the investigation of the dynamics of conflicts [49]. Therefore, cooperatives in agricultural areas have increasingly involved stakeholders as key actors.

The stakeholder theory claims that the maximization of the value of an organization depends on the stakeholders' social, financial, and economic interests and concerns; in a more critical interpretation of the stakeholder theory it is possible to assume values have to be considered in a "pragmatic and pluralistic" way [50]. Therefore, managers need to identify whom the key stakeholders are in order to effectively assume this approach. Recent processes favor the organization of profitable businesses, where farmers conquest the role of supervisory boards are not engaged in the current operations of the cooperative, whereas the management role is given to hired managers. The ideal model of managing such a cooperative enterprise requires constant cooperation and understanding between management boards and supervisory boards.

Starting from the identification by Lewis [37], the paradox approach investigated how members understand tensions and move from trade-off thinking to a mindset, and vice versa [51] (p. 489). For example, diverse individuals (managers, employees, stakeholders, and partners) via a co-operative approach can overcome difficulties to work together. Indeed, some researchers [52] interviewed external managers and Chinese employees by means of the critical incident technique, and demonstrated that cooperative, but not competitive, conflicts managing supported employees and managers and developed value relations, as well as strengthened trust. In addition, managerial training, empowerment, and motivation can turn out to be most valuable to manager's efforts to address conflicts of employees [53]. Dated studies have also highlighted that conflict management styles differed meaningfully when managers interacted with superiors, peers, or subordinates [54].

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To reach successful results, "spaces of negotiation", that are "arenas of interaction that allow all staff members to discuss and agree on how to handle the daily trade-offs that they face across social and commercial activities" can keep a creative tension between the staff members [3,55]. Assigning responsibility for the different socioeconomic activities to separate groups with parting or a combination of social and economic objectives can be crucial strategies even if some researchers [46] have demonstrated that SEs accept and live with tensions in a creative way instead of addressing them.

Furthermore, for collaborative approaches across hierarchical and vertical boundaries, trust and commitment of members are certainly crucial because they fully facilitate the link between conflict management styles (CMS) of managers and results of subordinates [18,56,57]; in this way, managers could be considered to be consultants [58].

#### 3. Materials and Methods

By positioning this study to consider social cooperatives in the food sector, this article advances our understanding of how and when social enterprises are expected to affect the sensemaking process of multiple stakeholders, and therefore the emergence of tensions.

Our research questions were as follows:

- Which tensions arise from combining different goals (business, environmental, and social goals) within SEs?
- How do the cooperative's members manage the different conflicting tensions?

To explore these research questions, we developed an inductive case study [59], through the use of the multiple case study approach and in-depth interviews. The research was conducted on a fruits and vegetable cooperative located in the north of the Apulia region (Italy).

The authors selected this cooperative for the following two reasons:

- 1. It is one of the largest F&V cooperatives in the region and it holds a crucial role in a growing regional agricultural sector and developing regional food cluster.
- 2. The interviewers have been collaborating with this cooperative for several years, which allows them to the following the points and aspects of members without arousing suspicion and leading to mistrust.

This cooperative involves fruit and vegetable (F&V) producers with the following aims:

- i. Creating a shared value vision among F&V producers;
- ii. Boosting regional food cluster;
- iii. Improving food quality and safety;
- iv. Contributing to natural resources balance;
- v. Mitigating climate change;
- vi. Providing access to capital for small farmers;
- vii. Creating new jobs and contribute to knowledge transfer.

The development of regional food clusters could play a significant role in feeding growing populations and guaranteeing business growth while preserving environmental resources, enhancing job employments [60], especially in the Apulia region where one-fifth of the national F&V value is produced. The detection time for collecting data ranged from April to July 2019 and involved semi-structured interviews with the board of directors (7 members) and shareholders (23 ventures). The interviewees' selection step was carried out according to the sampling approach by Lincoln and Guba [61]. Since the focus of our research was the presence of tensions and conflicts within the cooperatives and how they are solved, the study started by interviewing the CEO of this cooperative [18]. The CEO also provided us with the contact list with details of the other members (board of directors). Our sample covered 30 out of 100 total ventures that were not interested in taking part in the research.

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More specifically the ventures were mostly located in the surrounding area of the cooperative's venue (as shown in Figure 1).



Figure 1. Location of interviewed ventures from the Apulia region (Southern Italy).

The primary data were collected by using semi-structured interviews; this method involved gathering detailed information through a set of guided open questions that could be elaborated on when it was needed [62]. The average interview's duration was about 40 to 50 min. Respondents were asked the following general questions to arouse a detailed answer and a broad conversation: (1) When and how they became part of this cooperative; (2) how they experience participating in the cooperative's activities; and (3) specific questions related to the main vision for achieving business, environmental, and social goals. Concerning the environmental and social goals, we focused on their food waste reduction programs and challenges.

Then, the interviewer directed the conversation towards the tensions and trade-off (e.g., conflicts related to these goals) along the way and how they solved these conflicts, as insight for the case study analysis.

All interviews were conducted in person, except for 4 of them, which were done on the phone. To facilitate the data collection, interviews were conducted in the interviewees' native language (Italian) and each interview was recorded with the informants' permission, with the support of field notes. To make the concepts clearer and more transparent, the interviewees were recontacted if clarification and more insights were needed [62]. Interviews were transcribed and translated into English and consecutively analyzed. In some cases, we conducted different rounds of semi-structured interviews: in total, we conducted 36 interviews (with 30 different members), through which we collected commentaries across the ventures. Primary data were triangulated by using additional documents such as a webpage, newspaper articles, press releases, video materials (from 2016 to 2019), and other reports (i.e., plan for agriculture sustainable practices) delivered by the cooperative's staff [63]. The triangulation was aimed at verifying the informants' data on the main vision to achieve business, environmental, and social goals and the tensions and conflicts within the cooperative, highlighting some possible incongruities and mitigating bias and handling the subjectivity that could arise exclusively from the use of data from the interviews [64]. The interviews' transcriptions were imported as text file into ATLAS.ti 8, a software that facilitates the management and coding of data (Figure 2). The interviewer's note and the additional documents helped the authors in the coding procedure [20].

For the analysis of the interviews, a grounded theory approach (fitting with in-depth case studies) was used [20,65] following these three steps:

- For the first step of coding, we identify quotes, terms, and descriptions related to business, environmental and social goals, and the tensions and conflicts within the cooperative. These consistent patterns represent the first-order categories and we named them by using the informant's language (Figure 2).
- For the second step of coding, first, we analyzed convergences and coincidences of concepts, and then we grouped these concepts into second-order categories (Figure 2). It is important to

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specify that during the analysis we constantly and simultaneously checked the convergence of the findings and listed information reported in the documents and statutes.

• For the third step of coding, we organized the concepts into aggregate dimensions explaining how tensions were managed and building the grounded theoretical framework (Figure 2).

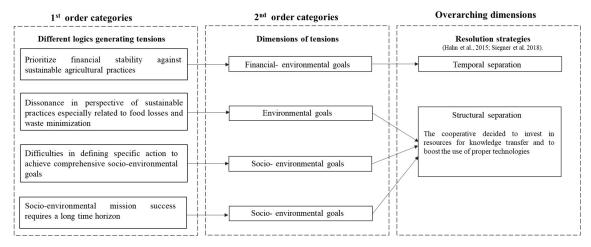


Figure 2. Codification tree and conceptual development. Sources: our processing.

#### 4. Results

# 4.1. The Organizational Model of the Cooperative

The examined organization was launched in 2013 as a producers' organization, which joined the production, packaging, marketing, and distribution activities with the collective trademark certification "Prodotti di Puglia". The governance and organizational structure consisted of the following: (i) one president (elected by the members), (ii) the board of directors (made by seven members and elected by the shareholders) both committed to verify the respect of statutory and shareholders guidelines; while the number of shareholders was equal to 115 and they took part in decision making during the general assembly of shareholders (Table 1). In addition, other minor partners (producer organization and local action groups) externally contributed to the cooperative's activities and increased contractual arrangements among chain stakeholders. Additionally, the cooperative employed eight workers (two for the administration and six for the processing lines). The products basket of the cooperative included mostly cherries and tables grapes; nevertheless, as shown in Table 2, several species of fruits (e.g., apricots, watermelon, figs, almonds, peaches, and plums) and vegetables (e.g., chicories, fennels, celery, salads and spinach) were produced.

Tuble 1. Cooperative 5 structure and general information.				
Principal Activities	Production and Distribution of Fruit and Vegetable			
Board of directors	7			
Employees	8			
Local units	2			
Associates	115			
Total UAA (ha)	873			

Table 1. Cooperative's structure and general information

Sources: our processing (data for 2019).

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**Table 2.** Production and commercialization value of the cooperative.

Species	Area (ha)	Production (kg)	Value (€)
Cherries	93.40	736,359.57	1,483,889.86
Chicories	40.00	2,052,720.87	1,676,043.68
Fennels	12.00	353,466.76	264,358.28
Celery	10.00	261,543.00	110,889.10
Apricots	64.80	411,680.0	291,183.74
Watermelon	10.00	254,747.00	34,429.28
Cabbages	20.00	1,127,691.70	419,515.19
Figs	4.1	35,846.25	58,981.52
Salad	1.0	8802.10	7921.89
Almonds	161.8	104,030.13	12,856.18
Peaches	12.7	150,836.60	65,665.88
Plums	2.5	11,099.10	13,033.96
Spinach	3.0	114,253.20	149,735.81
Table grapes	437.75	7,171,289.70	6,080,238.13
Total	873.05	12,793,365.98	10,808,742.50
		. (1 . ( 2017)	

Sources: our processing (data for 2017).

The cooperative handled local processing plants owned by the cooperative (1110 m $^2$  with a capacity of 35 q/hr.), distribution and logistics and sales. The producers participating were spread in the region (see Figure 1) and the demand market covered included large-scale distribution, general markets, and intermediaries with a net turnover equal to about 10.8 million  $\in$  (Table 3, please note that data referred to 31 December 2017).

**Table 3.** Cooperative's distribution channels.

Description	Large-Scale Distribution	General Markets and Intermediaries	Other	Total
Value (€)	731,751.87	10,076,990.93	-	10,808,742.50
%	6.77%	93.23%	0.00%	100.00%

Sources: our processing (data for 2017).

As explained in the previous section, the cooperative's vision was aimed at the financial improvement of the F&V supply chain (especially for cherries and tables grapes) as follows:

- i. Reinforcing the position of the producers on the market,
  - a. "This cooperative enhances ambitious challenge to face the market directly, without the intervention of intermediaries and traders who have indiscriminately controlled the distribution of our products".
- ii. Ensuring that production is planned and adjusted to demand, particularly in terms of quality and quantity,
  - a. "Though the contracts within the cooperative, we can concentrate the supply to coordinately delivers input to the market".
- iii. Concentrating supply and reaching high value markets (boosting regional food cluster),

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a. "The shared vision of this cooperative is to promote the concentration of supply, the regularization of prices at the producer stage and the reduction of costs. Additionally, we supply our customers with quality products that respect social, environmental and economic standard"

- iv. Boosting the commercial value of products,
  - a. "We want to valorise the excellences of our territory and giving value to our products that are unique"
- v. Optimizing production costs and stabilizing producer prices,
  - a. "Though this cooperative the limited-resource producers can be collected to optimize the production process and it also ensures producers stable and reasonable prices"
- vi. Improving horizontal integration along value chain,
  - a. "Within the cooperative shareholders work on principles of collaboration, shared decision making, open communication, shared vision, to give maximum value to the customer at low cost and minimum time in an efficient manner."

Since it was founded, the cooperative has embraced the environmental measures and methods of production respecting the environment (at least 10% of the operational fund expenditure),

"We combine high quality products with sustainable and environmental respectful agricultural practices that are perfectly harmonized with the surrounding ecosystems". (from shareholders interviews)

The environmental goal was pursued by adopting sustainable practices in both farming and processing activities, reinvesting a percentage of the income in offering technical assistance services to lower inputs (e.g., fertilizers, pesticides) and to limit the use of natural resources (e.g., water use efficiency, carbon sequestration assessment). Additionally, in the last years (3 years), the cooperative had dedicated attention to minimizing food waste along the whole food value chain. This was realized by reducing farming and post-harvest losses (using anti-hail mesh for orchards and storage chamber) and by finding processing plants owned by third parties to manufacture production surplus (e.g., production of juices, purees and pulp),

"Food waste issue the has been discussed in our cooperative, considering that in some year for specific product (such as cherries) we even lose 50% of production. Therefore, apart from solutions such as hail nets and storage chamber, we are thinking to recover and process damaged products (second and third category products), but this represents a huge investment for our cooperative"

Empowering producers to create new jobs, as well as contributing to transfer knowledge among practitioners achieved the social goal. Nevertheless, the most important initiative embraced by this cooperative was to promote F&V consumption in the schools, by supplying at least 560 schools (increasing the daily fresh F&V consumption, preventing childhood obesity rate),

"We promote knowledge transfer by organizing trying initiatives and by offering consulting services. We also monitor the number of participants and the companies using consulting services"; (from a member of BoD)

"Since 2015 we won for the first time the "Fruit in Schools" project that allows us to receive EU funds to encourage children to eat more fruit and vegetables and to adopt healthier lifestyles" (we won this initiative for 4 years consecutively) (form a member of BoD)

The business model adopted by this cooperative reinforced the position of the producers in a market where the demand was more and more concentrated and structured, ensuring them a capital distribution

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and stable income. In this way, F&V producers have a better adaptation of supply to demand in terms of quantity and quality. Additionally, the cooperative's model improves the relationship between businesses and territories while allowing entrepreneurs to deal with market changes. Moreover, it stimulates innovation, as well as supports sustainable returns on natural, economic, and social capital. Indeed, the collaborations established within the cooperative potentially allow small farmers to strengthen the horizontal relationships and establish new contractual arrangements (trust-based) with supply chain actors. They can also boost small farmers' innovativeness (access to new technologies within the cooperative), especially with regard to sustainable techniques and technologies (Figure 3).

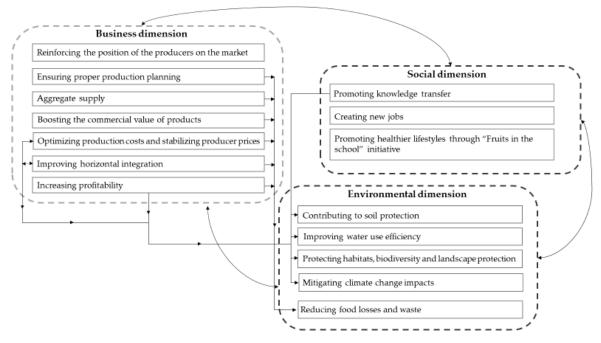


Figure 3. Cooperative's vision. Sources: our processing.

This contributes to mitigate environmental impacts (soil protection, water sustainable use, water quality preservation, habitat, biodiversity, and landscape protection).

The horizontal integration process and the coordination among actors along the food supply chain contribute to adapt production to the market demand through coordinated management, and to affect market share, price stability, and quality control. A better production planning could contribute to reduce food waste generation. Moreover, the "fruits in the school" initiative, besides promoting healthy eating habits and more balanced nutrition among children, contributes to a fair distribution of the value-added supply chain of F&V. Indeed, based on value-adding activities, producers can earn a higher margin consumer and ensure a stable income.

## 4.2. Tensions Categorization and Resolution Strategies

The analysis of primary data, notes, and additional documents enabled us to identify and classify the nature of tensions. The first tension is linked to a lack of harmonization between financial issues and environmental sustainability goals (Figure 2). Specifically, the ventures always have some problems in the choice of reinvesting their profits in the business to capitalize on the entrepreneurial activities or for the collective development purposes (one interviewee). Eight interviewees argue that in several cases they laid down the environmental goals to remain financially stable. For example, in some cases, they are forced to use more chemicals or plastic for packaging to avoid food losses (three interviewees). Accordingly, the interviews reveal a dissonance in perspective of sustainable practices (second tension). For example, some of them believe that the cooperative should put significant effort in lowering the impact of agricultural activities and tackling food losses and waste problems (11 interviewees).

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Interviewees (two) from the board of directors cited one operative project aimed at reducing farming and post-harvest losses, which no one else knew about. This denotes a lack of communication and coordination among the directory board and general members generating a misalignment of their activities in addressing environmental goals.

The third type of tension is related to the struggle between coordination and cooperation activities. This is due to the difficulties in defining specific actions for the cooperative's operational program aligned with its vision. Such tensions were faced, for example, by the president and some members of the directory board (two interviewees) who always have some difficulties in deciding whether devoting time and resources in initiatives for knowledge and technology transfer. Additionally, several interviews attribute the cause of this tension to the cooperative's expansion, especially after the award (F&V in the schools). They felt challenged in identifying and sharing the tasks required for achieving comprehensive socio-environmental goals.

The last tension is related to the learning process. Several members believe the socio-environmental mission success requires an extended horizon. While financial stability and certainty is achieved in the short term and can be easily assessed, the socioecological outcomes require a long time to be perceived. These different time horizons can lead to a trade-off in defining strategic actions (third tension). This occurs when they debate on which kind of technologies should be introduced and whether they affect the economic, social, or environmental dimensions (four interviewees). This is the case of a dispute that arose for the introduction of post-harvest technology to guarantee optimum quality and extended shelf life.

Our analysis shows that cooperative's members manage the tensions by applying the resolution strategy [18,46,66]. The resolution of conflicts was realized by addressing the multiples (socio-environmental and financial) goals of the tensions at different locations, "structural separation", or at different times "temporal separation" [66]. The structural separation was applied for managing the conflicts between coordination and cooperation activities; the cooperative decided to invest resources for knowledge transfer, for implementing technologies for chemicals inputs, and for improving water use efficiency.

Additionally, the cooperative further invests in measures concerning the implementation of certification standards ("Prodotti di Puglia" trademark). The same approach (structural separation) was applied to solve the dispute arising for the post-harvest technologies; the cooperative decided to invest resources to invite experts to relate in workshops to evaluate the complexity, compatibility, and adaptability of the technologies. This certainly helps them to facilitate the decision-making process. In line with Siegner et al. [46], the temporal separation resolution was applied to solve the conflict among social, environmental, and financial purposes. For a temporary period, one purpose should be preferred against the other by considering their incompatibility.

## 5. Discussions

This paper contributes to current debates on operational tensions [18,46,66] by illustrating empirically (i) which tensions result from combining different goals and value sets of different stakeholders involved and (ii) how their individual sensemaking influences their strategy and actions to manage these tensions.

Thus, we explored the type of tensions and resolutions adopted in a fruit and vegetable cooperative committed to achieve business, as well as environmental and social missions.

To this aim, we advanced an inductive case study by using an in-depth study of an Italian F&V cooperative. Therefore, this preliminary study certainly helps to fill the research gap on the level of incorporation among the social, environmental, and commercial aspects with the hybrid form. Community integration, trust, collaborative approach, and cooperation are crucial features generating benefits across all the stakeholders along the food supply chain [18,56]. Our study highlights that cooperative's members make use of the resolution strategy [18,46,55,66] in order to overcome tensions and conflicts.

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In line with other research [2,3,22,30], we found that tensions derive from a lack of integration and harmonization between financial issues and environmental sustainability goals and from issues due to cooperative's expansion [46,47].

These tensions are also caused by the efforts to arrange financial, environmental, and social initiatives and actions within their organizational boundaries [3,22]. Specifically, a cumulative hybridization approach is noted [1], in which managers (board of directors) attempt to create equilibrium among unequal demands, and to find cooperative resolutions in order to mitigate cultural tensions and contradictory pressures. This is possible because the interviewed members have been collaborating in the cooperative for several years, thus allowing a direct and synergic approach [1].

Our findings also reveal a specific resolution strategy to solve each tension recognized within the cooperative. Particularly, we identify, in line with previous literature [1,46], temporal and geographical resolution strategies for managing, respectively, the conflict between coordination and cooperation activities and the incompatibility among social, environmental, and commercial purposes.

In contrast with previous research [1,46], we did not find an acceptance strategy, such as resolution strategy, in which conflicts are still unresolved and the manger simply waits for future opportunities to solve such conflicts [46].

Moreover, advancing our understanding of the hybrid-organizing dimension of the investigated cooperative, we found a weak integration between social and commercial dimensions, probably due to a lack of holistic perspective and a poor interorganizational communication. Reaching this holistic perspective allows members to describe ontologically different kinds of interactions in order to make informed decisions.

Our results also provide a grounded theoretical and operative framework for managing and overcoming the challenges associated with a multifaceted nature and characterizing the cooperative (Figure 2) that plays a crucial role in the regional agricultural sector.

This framework offers a combined view of a social enterprise by explaining the nature of the conflicts characterizing the hybrid organization. It also provides crucial insights regarding the strategies to solve the tension, useful for managers, employees, and stakeholders in responding to these tensions.

## 6. Conclusions

The present article analyzed the nature of different tensions that occur when trying to reach different goals, i.e., business activities, social value creation, and sustainable practices. Moreover, the study explored whether and how these tensions are solved, providing a framework for developing strategies and handling the conflicts.

Therefore, this preliminary study certainly helps to fill the research gap on hybrid organizations and, in our case, an agricultural cooperative, which tried to generate positive social and environmental externalities by joining and dealing with diverse missions.

Regarding practical implications, it could, therefore, be strategic to create informal protocols, resolution strategy based, addressed for solving such tensions and conflicts and categorized according to the several issues emerged or that can emerge. These protocols, as standardization procedures, represent a guide for moving towards solutions. The latter, joined with informal meetings of sharing ideas and goals among all members, represents key factors of success in overcoming tensions.

Nevertheless, this exploratory research is continuing, and our conclusions are far from being exhaustive, as new scientific research paths can be derived.

Some limitations of our research can be found in this work. The sample could be not quite representative and a comparison with another cooperative in the same sector, and in another sector, could be very interesting. Therefore, future research could enlarge the sample and other case studies, in other regions and countries exploring other types of tensions, in order to compare findings and validate the theory (increasing the generalizability).

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We believe that further study should also focus on the analysis of the most effective strategies for a specific tension depending on organizational activities and design, workforce composition, and decision makers' perspectives.

Additionally, a combination of qualitative and quantitative research techniques could result in a more reliable outcome.

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