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Power in the process of reversing mission drift in hybrid organisations: The case of a French multinational worker co-operative

Ignacio Bretos
Department of Business Management, University of Zaragoza, Spain, Email: ibretos@unizar.es

Anjel Errasti
Department of Financial Economics II, University of the Basque Country, Spain, Email: a.errasti@ehu.eus

Carmen Marcuello
Department of Business Management, University of Zaragoza, Spain, Email: cmarcue@unizar.es

Abstract: Understanding how hybrid organisations resist mission drift and sustain the joint pursuit of their plural goals over time remains a central theoretical and practical concern in the business and society literature. In this article we mobilise an organisational politics approach to elucidate how hybrid organisations react to mission drift and strive to rebalance the relationship between their conflicting missions. Drawing on an in-depth longitudinal analysis of a project developed within a multinational worker co-op to reverse mission drift, we elaborate a process model showing how shifting patterns in the mobilisation of episodic and systemic forms of power provoke critical changes in the way that plural missions are construed and enacted within hybrid organisations. This study also contributes to the field of co-operative organisation and management studies by revealing that the transfer of organisational practices within multinational co-ops is more critically shaped by power relations and conflicting interests rather than, as much of the previous literature has argued, by host country institutions.

Keywords: co-operatives; hybrid organisations; mission drift; multinational enterprises; power

Hybrid organisations have been found to often experience tensions in sustaining the joint pursuit of their plural goals over time, potentially leading them to undergo a process of mission drift characterised by losing sight of their original purposes and the dilution of their *raison d'être* (Ometto et al., 2019). Given the threats posed by mission drift to the organisation's long-term sustainability and survival, research into how hybrid organisations deal with mission drift has attracted notable interest in the business and society literature. Prior studies have examined the different sources and consequences of mission drift, as well as the variety of strategies that can be deployed to anticipate and prevent mission drift (Battilana et al., 2017; Smith & Besharov, 2019). However, little is known about how hybrid organisations react to mission drift once it has already occurred (Ramus & Vaccaro, 2017) and how they engage in symbolic and material efforts to rebalance the relationship between their plural missions (Grimes et al., 2019).

Reversing mission drift implies restoring the values and practices associated with a dormant mission and regaining a sustainable balance between the organisation's plural goals (Ramus & Vaccaro, 2017; Grimes et al., 2019). Thus, mobilisation of power is arguably necessary to 'break' the existing organisational settlement grounded in the long-standing prevalence of a dominant mission and move towards a new settlement that embraces plurality once again (Waeger & Weber, 2019). At the same time, rebalancing the relationship between multiple missions inevitably involves a redistribution of power relations and advantages within the organisation (Shepherd et al., 2019). Thus, actors with diverging interests in relation to the reinstituted mission are prone to engage in political action to safeguard the dominance of the mission-related goals and practices that prevailed in the past (Mangen & Brivot, 2015; Waeger & Weber, 2019). Accordingly, the following research question guides this study: *How does power influence the process of reversing mission drift in hybrid organisations?*

This question is addressed through a longitudinal analysis of the process enacted within the French multinational co-op *Up Group* (henceforth Up) to reverse mission drift. Up has expanded through the setting up and hierarchical control of joint-stock subsidiaries, thus undergoing a specific form of mission drift grounded in the employment of wage labour, the concentration of power in the hands of a minority of co-op owner-members, and the prioritisation of commercial goals at the expense of socio-political concerns. As a response, in 2014, Up launched the Roots & Wings (R&W) project whose goal was to implement the parent's co-op model across all its subsidiaries. However, after fierce internal political struggles, the project was abandoned in 2021, having accomplished very little: only three out of Up's ten domestic subsidiaries had been cooperativised and progress in the transfer of the co-op model overseas had been rather limited.

Our study makes a twofold contribution. First, we elaborate a process model of failure in reversing mission drift in hybrid organisations. Our model highlights the central role of power in the unfolding of this process, emphasising how shifting patterns in the mobilisation of episodic and systemic forms of power provoke evolutions in the way each mission is construed and enacted within the organisation. Thus, this study advances knowledge of how actors' agency and political action shape the process of balancing potentially conflicting missions over time in hybrid organisations (Mangen & Brivot, 2015; Brès et al., 2018).

Second, we make a contribution to the specific field of co-op organisation and management studies. Extant research has adopted a macro-institutional lens to argue that the challenges faced by co-ops in disseminating their business model across borders are essentially related to the absence of supportive institutional conditions in the host region (Barin-Cruz et al., 2016; Spicer, 2022). However, by mobilising a political perspective of the multinational company (MNC; Geppert et al., 2016; Clegg et al., 2018), our study reveals that the limited progress made in the cooperativisation of subsidiaries was due to the fact that most Up's co-operators deemed the diffusion of the co-op model to be a risk to their wealth and decision-making authority.

Theoretical Background

Hybrid Organisations and Mission Drift

Hybrid organisations are defined as organisations that integrate multiple (and often conflicting) normative purposes at their core (Jay, 2013; Pache & Santos, 2013). Recent studies have moved beyond discrete categorisation of organisations as being either hybrid or not towards recognising the varied and dynamic nature of hybridity in organisations (Smith & Besharov, 2019; Battilana et al., 2017). This broader approach acknowledges that the degree of hybridity can differ across organisations and emphasises that the relative importance ascribed to certain strategic goals vis-à-vis others can evolve over time in hybrid organisations (Shepherd et al., 2019).

To date, an important body of research has focused on examining the sources, variety, and challenges of mission drift in hybrid organisations. Although the notion of mission drift has also been used to describe ways in which an organisation purposefully drifts towards addressing a wider range of concerns (e.g., Grimes et al., 2019), this concept has been generally mobilised to capture the difficulties that hybrid organisations face in maintaining a sustainable balance between their multiple missions in the long run (Jay, 2013; Pache & Santos, 2013; Ashforth & Reingen, 2014; Smith & Besharov, 2019; Battilana et al., 2022). Accordingly, in this article, we draw on a notion of mission drift as the unbalanced emphasis on one mission at the expense of the other or others (Ramus & Vaccaro, 2017; Ometto et al., 2019; Klein et al., 2021).

Among the various catalysts of mission drift, growth is often highlighted as a prominent one (Wolf & Mair, 2019; Ometto et al., 2019; Bauwens et al., 2020). It is argued that growth can lead hybrid organisations to overly focus on business concerns, such as resource mobilisation and performance evaluation, whilst neglecting the alternative purposes that constitute their pluralistic nature (Doherty et al., 2014; André & Pache, 2016). Emerging research also suggests that trade-offs between missions are likely to intensify when hybrid organisations operate on a global scale (Kannothra et al., 2018). In this regard, these organisations need to balance their plural goals within a wider context of cultural, ideological and political dynamics (Bolzani et al., 2020), and respond to multiple demands from home- and host-country stakeholders (Ambos et al., 2020).

The relationship between internationalisation and mission drift has been well documented in worker co-ops (WCs). WCs are hybrid organisations that combine competing commercial and socio-political missions (Audebrand, 2017; Battilana et al., 2022). The *commercial mission* reflects the fact that WCs seek to produce a livelihood for their worker-members, for which they are required to operate successfully in the market. This mission is associated with financial performance and a premium on managerial expertise and authority. The *socio-political mission* typically emphasises goals related to collective ownership, democratic decision-making, employee development and well-being, and local community development (Audebrand, 2017; Jaumier et al., 2017; Bonache & Zárraga-Oberty, 2020; Battilana et al., 2022).

When engaging in international expansion, WCs have been found to generally rely on the setting up and hierarchical control of joint-stock subsidiaries in which employees are wage labourers who are deprived of co-op membership rights and benefits (Ratner, 2013; Flecha & Ngai, 2014; Bretos et al., 2019; Spicer, 2022). This mode of international growth and global corporate governance in WCs has been described as a clear sign of mission drift because it implies a deviation from co-op principles of democratic control, equality, and local community development in favour of market-driven concerns of competitiveness, economic efficiency, and profit-seeking (Cheney et al., 2014; Errasti et al., 2017; Bretos et al., 2020).

In recent years, greater stakeholder scrutiny has put significant pressure on many multinational co-ops to extend the co-operative business model to their joint-stock subsidiaries as a way of combatting mission drift (Cheney et al., 2014; Flecha & Ngai, 2014; Bretos & Errasti, 2017). Yet extant empirical evidence of some benchmarking multinational co-ops suggests that efforts to engage in the cross-border transfer of the co-op model have been rather limited and unsuccessful (Reed & McMurtry, 2009; Ratner, 2013; Bretos et al., 2020).

Scholars, however, have adopted a purely macro-institutional lens. They argue that the ability of co-ops to disseminate their organisational model across borders mainly depends on the existence of a supporting macro-institutional environment in the host region (Barin-Cruz et al., 2016; Spicer, 2022; Spicer & Kay, 2022), comprising institutional arrangements that complement and accommodate the co-op collectivist-democratic practices and socio-political goals (Mair & Rathert, 2021). For example, research in the field of Mondragon co-ops has traditionally ascribed the non-cooperativisation of their foreign subsidiaries to the lack of regulatory and cultural institutions supportive of Mondragon co-op principles and practices in the host countries (Luzarraga, 2008; Flecha & Ngai, 2014; Bonache & Zárraga-Oberty, 2020).

Notwithstanding the merits of this literature, we argue that an organisational politics approach is crucial for a better understanding of the challenges involved in reversing mission drift.

The Politics of Reversing Mission Drift in Multinational Worker Co-operatives

We draw on a notion of politics as any “activity that rearranges relations between people and the distribution of goods (broadly defined) through the mobilization of power” (Fleming & Spicer, 2014, p. 239). Although the conceptualisation of power varies among organisation scholars, two major modes in which power operates are commonly distinguished: episodic and systemic.

Episodic modes of influence include both decision-making politics and non-decision-making politics. Decision-making politics relates to the direct exercise of power by individuals to achieve certain political ends (Fleming & Spicer, 2014). This is reflected in the mobilisation of resources by organisational actors to further their interests through observable behaviour and concrete decisions and actions (Clegg et al., 2006; Lawrence et al., 2012). Non-decision-making politics is concerned with agenda-setting work to ensure that action and discussion occurs within what are perceived to be acceptable boundaries (Fleming & Spicer, 2014). This mode of influence reflects the ability of actors to handle conflicting issues in such a way that they do not become matters of open discussion (Hardy, 1996; Ferner et al., 2012). Systemic forms of power, meanwhile, "mobilize institutional, ideological, and discursive resources to influence organizational activity" (Fleming & Spicer, 2014, p. 240). Here, the emphasis is placed on how cognitive, cultural and discursive structures work to "give some accounts and responses a veneer of legitimacy and necessity, while making others appear illegitimate or impossible" (Schildt et al., 2020, p. 244). Research has highlighted that episodic and systemic forms of power operate through a mutual, recursive relationship during processes of strategic change, with instances of episodic power establishing new ideas and behaviours and creating the conditions for systemic forms of power to operate, and the latter providing the resources and legitimacy necessary for actors to engage in instances of episodic power (Lawrence et al., 2012; Clegg et al., 2006).

MNCs are seen to represent one of the most important sites of organisational politics (Geppert et al., 2016). Whilst politicisation of MNCs can also emerge "from the outside", that is, through processes by which MNCs engage in political interactions with states and non-governmental actors in the process of transnational institution-building, in this article we focus on politicisation "within" the MNC (Clegg et al., 2018). The latter draws attention to how actors at the headquarters (HQ) and subsidiaries endeavour to advance their agendas by leveraging a variety of resources stemming from both the episodic and systemic levels of power (Geppert et al., 2016; Koveshnikov et al., 2016). In particular, it is argued that politicisation within the MNC may come to the fore during processes of practice transfer, as this scenario is likely to prompt actors to engage in political action to actively stabilise, enact, or defy certain practices according to their own interests (Ferner et al., 2012; Bjerregaard & Klitmøller, 2016).

The prior discussion suggests that reversing mission drift in multinational WCs through the cooperativisation of subsidiaries involves a process of tension and contestation. The divergent values, identities and interests that coexist within multinational WCs can ultimately create "competing factions" (Jay, 2013), where actors construe and prioritise the organisation's plural goals differently (Ashforth & Reingen, 2014; Mangen & Brivot, 2015). Inter-factional conflict is likely to intensify during processes of radical strategic change that could alter the extant relationship between missions, prompting each faction to mobilise in favour of the goals and practices that underpin their identities and interests (Waeger & Weber, 2019). In particular, transfer of the co-op model to subsidiaries implies endowing them with greater decision-making and control rights which, in turn, poses a threat to the privileges and positions of power enjoyed by the parent co-op's member-owners (Bretos et al., 2019). Therefore, counteraction of mission drift in multinational WCs could face resistance from some member-owners seeking to keep their prerogatives and decision-making authority unaltered and thus preserve the status quo.

Through a critical interpretation of the unfolding of Up's R&W project, we aim to elucidate the role of power in shaping the process of reversing mission drift in multinational WCs.

Methodology

Our study is based on a longitudinal analysis of the process enacted within Up to reverse mission drift. We adopt a qualitative case study approach, given its proven potential for exploring complex phenomena about which extant knowledge is limited (Gehman et al., 2018) and examining the processual nature of radical strategic change in organisations (Langley, 1999).

Empirical Setting

Up was founded as a small luncheon voucher issuer in 1964 by twenty trade unionists organised around co-op principles of horizontality, solidarity, and mutualism. Up has, however, undergone an extraordinary transformation. Since the early 1990s, the co-op has extensively diversified its product portfolio and registered a vertiginous growth in domestic and international markets, becoming a global-leading employee-benefit consultancy firm. In 2021, Up employed 2,951 people worldwide, of whom 710 were member-owners at the French parent co-op and the rest were wage labourers at 35 joint-stock subsidiaries in 22 countries (see Table 1).

[INSERT TABLE 1 ABOUT HERE]

Up's parent co-op model relies on four core practices: employee share ownership, profit sharing, employee participation in strategic decision-making, and co-op training. The co-op is fully owned by the co-operators. As owners, co-operators annually receive an equal share of the 45% of total after-tax profits, and they participate on a 'one-member, one-vote' basis at the General Assembly, where major strategic decisions are taken, such as the election of the management bodies (i.e., the Board of Directors and the Executive Committee). Co-op training is also considered a core policy at Up. Before becoming a full member-owner, each candidate goes through a one-year training process that places emphasis on Up's co-op culture, the functioning of Up's governing bodies, and the rights and duties associated with co-op membership.

After two decades of breakneck growth and business success, in 2014 Up launched the R&W project in order to tackle mission drift by transferring the co-op model to its subsidiaries. The project was designed in a sequential fashion. In a first stage (from 2014 to 2018), the goal was to cooperativise all the French subsidiaries and five foreign subsidiaries that had historically maintained close ties with the co-op HQ: the Czech, Italian, Romanian, Spanish, and Slovak subsidiaries. In a second stage (2019-2023), the remaining subsidiaries would be cooperativised.

We focused on the Spanish and Romanian subsidiaries for three main reasons. First, Up Spain and Up Romania are two of Up's largest and most relevant subsidiaries: they employ 90 and 130 people respectively, are two of the group's most profitable subsidiaries, and are industry leaders in their respective countries. Second, we were granted open access to both subsidiaries through local staff. Third, Spain and Romania represent varied country-level institutional profiles where the co-op model is concerned. Whilst Spain boasts one of Europe's most developed co-op entrepreneurship ecosystems, in Romania co-ops still suffer from a negative perception in the public imagination owing to a long history of co-optation by the communist regime.

Data Collection

Our fieldwork relied on a mix of primary and secondary data sources, with a view to building a rich, context-sensitive, historically-grounded case (Langley et al., 2013; Gehman et al., 2018). Table 2 outlines the data sources.

[INSERT TABLE 2 ABOUT HERE]

Our primary data source consisted of a series of on-site interviews conducted during field trips to the French HQ and the Romanian and Spanish subsidiaries. We used a combination of purposive and snowball sampling (Patton, 1990) to reach informants from different functional areas and hierarchical levels (see Table 3), as this variety is crucial for understanding a process of radical strategic change such as that of reversing mission drift. We conducted 25 interviews, which lasted an average of 140 minutes each and were recorded. We also held four focus groups at the subsidiaries, which lasted about three hours each and involved 19 informants. The focus group participants were proposed by top managers in response to our request to obtain a richer picture of how local members at the subsidiaries viewed the introduction of Up's co-op model. Due to the sensitive nature of the issues being discussed, the focus group informants requested anonymity and declined to be recorded, but we were allowed to take detailed notes. Follow-up interviews were held in order to track changes at Up Group in real time.

As described in the findings section, the appointment of Youssef Achour as Up's CEO in 2019 subsequently resulted in the abandonment of the R&W project. Our requests to interview Achour's team members were declined on the grounds that Up was going through turbulent times of strategic change. Thus, our analysis of the period 2019-2021 is partly based on second-hand information. However, the extensive interview and archival data gathered allowed us to reconstruct detailed descriptions of the critical decisions and actions taken in this period.

[INSERT TABLE 3 ABOUT HERE]

The interviews at the HQ focused on the company's background, motivations behind international expansion, perceptions of the co-op's transformation into an MNC, the group's governance, HQ-subsidiary similarities and differences in terms of organisational practices, and challenges and opportunities involved in the cross-border transfer of Up's co-op model. For the interviews with local members at the subsidiaries, we added questions related to their perceptions of the subsidiary's autonomy and organisational practices transferred from the parent co-op, and the willingness for and perceived barriers to introducing the co-op model at the subsidiary.

Secondary data sources included a range of 67 publicly available items (annual reports, company biographies, press articles, and published interviews in the media) and 52 internal documents provided by our informants (strategic plans, minutes of General Assembly meetings, booklets describing Up's culture and governance, reports on the R&W project's planning, and the transcripts of several in-house interviews conducted between 2014 and 2018 by the Board at the time to assess the views of Up's co-operators on the R&W project).

Data Analysis

The data analysis involved three major steps. In a first analytical step, we began by producing a detailed case narrative (Langley, 1999) comprising a chronological reconstruction of key events, decisions and actions (Lerman et al., 2022) in the history of Up (Table 4). We sifted through our case narrative seeking to capture the nature of the commercial and socio-political missions in Up, and how each of the events was related to the enactment of each mission. We observed that Up's socio-political mission is rooted in the ideals of its founder, Georges Rino, who viewed Up as a tool to promote workplace democracy, employee wellbeing and local community development. Up's commercial mission relies on business goals of efficiency, customer satisfaction and financial performance. Using a "temporal bracketing" strategy (Langley et al., 2013), we identified three major periods in Up's history which were defined by significant shifts in the balance of the commercial and socio-political missions. The first period (1964–1990) comprised the successful balance of the co-op's plural missions, marked by a high commitment to socio-political purposes while maintaining financial viability. The second period (1991–2013) was one of mission drift, prompted by the appointment of Jacques Landriot as the CEO, who championed commercial goals and faster growth. The third period (2014–2021) involved the development of the R&W project in a context of substantial internal debate on how to combat mission drift.

[INSERT TABLE 4 ABOUT HERE]

In a second analytical step, we focused on the third period (2014–2021) and scrutinised the work undertaken at Up to counteract mission drift. By examining the events of this period, we made two important observations. First, the stated goals and planning of the R&W project changed significantly over time as a result of divergent perspectives and changing demands from internal stakeholders (i.e., the parent co-op's members) and external stakeholders (i.e., Up's subsidiaries, French trade unions, and French- and European-level co-op networks). Second, advancement in the cooperativisation of subsidiaries was rather limited. Building on prior studies of other multinational co-ops (e.g., Flecha & Ngai, 2014; Barin-Cruz et al., 2016), we began our analysis expecting to find evidence of host country institutional constraints that would explain the limited transfer of Up's co-op model to the subsidiaries. However, we soon realised that power-related issues appeared to play a more critical role in explaining the phenomenon.

Thus, in a third analytical step, we iterated with the literature on organisational politics to re-examine the data. The distinction between episodic and systemic modes of power was found to be useful in making sense of the variety of political tactics deployed by key organisational members within Up to mobilise for or against the audiences' input and feedback. We focused on identifying instances of episodic power that initiated radical change in the relative importance of the socio-political and commercial missions, and systemic forms of power that were leveraged to accommodate and institutionalise change (Lawrence et al., 2012). Accordingly, we "temporally bracketed" (Langley, 1999) Up's attempt to tackle mission drift into three phases: design and implementation of the strategic project to reverse mission drift (phase 1), redefinition of the project (phase 2), and abandonment of the project (phase 3).

We adopted several strategies to ensure the validity and trustworthiness of our analysis. First, our data collection protocols were refined as the research progressed in order to obtain richer and more accurate data (Gehman et al., 2018). Second, bearing in mind that co-op members often use impression management tactics to downplay internal contradictions and safeguard the co-op's image (Errasti et al., 2017), we encouraged our interviewees to focus on specific events, facts, behaviours, and intentions (Langley, 1999; Gehman et al., 2018). Third, we triangulated accounts both from diverse data sources and from members at different hierarchical levels and sites, as this is crucial for capturing the multidimensional nature of MNCs and the discursive struggles that take place within them (Geppert et al., 2016). Finally, we checked our preliminary analysis with key informants at each site (Lerman et al., 2022), their feedback being particularly useful for refining and validating the structuration of the R&W project in the three phases identified.

Findings

We report our research findings within each of the three phases in which we divided the process enacted between 2014 and 2021 within Up to counteract mission drift. Phase 1 involved the launch of the R&W project and revitalisation of the co-op's socio-political mission. Phase 2 involved the redefinition of the R&W project in an attempt to reconcile the tensions and competing demands associated with the socio-political and commercial missions. Phase 3 involved the abandonment of the R&W project and the return to a mission drift scenario marked by the unbalanced emphasis on the commercial mission.

Phase 1 (2014–2016): Design and implementation of the Roots and Wings Project

In the first phase, a project to counteract mission drift was devised and effectively implemented with the clear determination to restore a socio-political vision within the co-op and to promote cooperativisation schemes tailored for each joint-stock subsidiary.

Audience-level context: Awareness. The R&W project emerged in a context of growing awareness among Up's stakeholders of the unbalanced emphasis the co-op had placed on the commercial mission in recent years. Indeed, by early 2014, Up Group was owned by 350 French member-owners, who accounted for only 15% of the total workforce of 2,300 people at the time.

According to our informants, internal pressure primarily came from a group of 'idealist co-operators' who deemed the annexation of joint-stock subsidiaries to be a violation of Up's co-op identity and for years had been demanding the cooperativisation of subsidiaries.

> There was a faction led by several historical, well-respected co-operators, who believed that we had grown too much and too fast and that changes were necessary (…). The idea that we had forgotten our co-op roots had gained a lot of traction among many co-operators. (Up employee-owner A; September 2016)

External pressure was also significant. As several informants pointed out, there were concerns about Up's external image in the face of growing criticism of Up's non-cooperative expansion model among French co-op networks, unions, and some academic and left-wing press circles.

> As the largest worker co-op in France, we have a role to play. We can't just behave like any other multinational company (…). Our growth model was inconsistent with the image that we wanted to project to society of ambassador of the social economy in the world. (Up Board Member B; September 2016)

Episodic level of power: Mobilisation of decision-making power with a facilitative purpose. Episodic power basically involved the mobilisation of decision-making power by co-operators to elect a new Board that initiated and energised radical strategic change oriented towards combating mission drift and extending the co-op model to the subsidiaries.

The key episode that opened Phase 1 was a corporate event held in January 2014 at which Catherine Coupet announced her candidacy to succeed Jacques Landriot at the helm of Up and outlined her proposals to revitalise Up's co-op identity. At Up's 2014 General Assembly, 75% of the co-operators voted in favour of extending the co-op model to the subsidiaries. Immediately afterwards, the "R&W Committee", made up of several Board members and HQ top managers, was set up to devise and steer the development of the Roots & Wings project. The stated goal in the R&W project's original plan was to "implement the parent company's co-op model and foundational democratic principles in the subsidiaries (...) prioritising [their] transformation into co-ops to allow as many employees as possible to become member-owners" (Up's internal document *Roots and Wings: From creation to transformation*).

The R&W project's first major step was the creation of a European Works Council (EWC) in November 2014. The EWC comprised representatives from the six countries (France, Spain, Romania, Italy, Czech Republic, and Slovakia) selected in the R&W project plan as pilot countries in which to carry out the first cooperativisation projects.

Another key milestone was the approval at Up's 2015 General Assembly of the cooperativisation of the three largest domestic subsidiaries (Chèque-Domicile, Cadhoc, and Rev&Sens); 88% of Up's co-operators voted for this. The R&W Committee opted for the merger of the three subsidiaries into the parent co-op as the most appropriate cooperativisation formula, owing to the subsidiaries' cultural and geographical proximity to the parent co-op. In fact, two of them were located within the same building as the co-op HQ.

> It was a question of social justice and a long-standing demand by many co-operators (…). Few dared to vote against it. I mean, we're in the same building! How could I look my peers at Cadhoc in the eye every morning if I enjoyed conditions and benefits far superior to theirs? (Up employee-owner A; September 2016)

Systemic level of power: Enactment of an enabling discourse. Systemic power involved the construction by Coupet's team of a discourse that enabled the legitimisation and institutionalisation of the R&W project through appeals to Up's traditional co-op values.

Both in their public speeches and in the internal meetings held with co-operators to explain the proposals for the 2014–2018 Strategic Plan, Coupet's team enacted a discourse that drew heavily on co-op precepts and values. In particular, the R&W project was portrayed as a strategic reform needed to reinstitute a socio-political vision in the co-op, arguing that the overemphasis on financial concerns would eventually imply the dilution of Up's co-op identity. This discourse was often articulated by invoking the figure of Up's founder, Georges Rino, and using his legacy and ideals as a rhetorical resource to legitimise the cooperativisation of subsidiaries.

> Our business success only makes sense if it goes hand in hand with a commitment to deploy our co-op principles throughout the Group (…). [The R&W] project aims to drive forward Georges Rino's global mindset and his founding vision of Chèque Déjeuner as a means to promote workplace democracy and workers' rights in France and elsewhere. (Up Board member's speech; minutes of Up's 2014 General Assembly)

Shift in hybrid relativity: Revitalisation of the socio-political mission. The mobilisation of power in Phase 1 allowed the co-op to move from an almost exclusive emphasis on commercial priorities and market concerns to a revitalisation of the socio-political mission's values and practices. The integration of 249 new co-operators as a result of the cooperativisation of the three domestic subsidiaries meant that Up became the largest worker co-op in France. Furthermore, Up was the first worker co-op in Europe to set up an EWC.

However, the effective merger of the three subsidiaries into the parent co-op in January 2016 brought to the fore the consequences of reinstituting the socio-political mission. The merger implied an increase from 386 to 635 co-operators at Up in just one year, with the consequent reduction in the amount of annual profit to be distributed to each co-operator. Whilst between 2010 and 2015 the average annual profit-sharing bonus paid to each co-operator was €21,500, in 2016 it was around €13,000. This caused 'individualist co-operators' (i.e., those co-operators who mainly adhered to the commercial mission) to express their opposition to the R&W project.

> Many [individualist] co-operators didn't understand the nature of the [R&W] project until they realised that they were getting a smaller share of the cake. At the [2016] General Assembly, when we were told the new annual bonus we were going to receive, people were flabbergasted. It was much less than usual (…). Some co-operators pressured the Board to abandon the project. (Up employee-owner B; follow-up interview; November 2017)

Phase 2 (2016–2019): Redefinition of the Roots and Wings Project

The second phase involved the ambiguous redefinition of the R&W project and relaxation of its original purposes in an attempt to accommodate the co-operators' divergent perspectives and interests in relation to the transfer of the co-op model to the subsidiaries.

Audience-level context: Initial contestation. By mid-2016, it became evident that the initially favourable audience-level context for countering mission drift had become much more volatile. Externally, the actions resulting from the launch of the R&W project were widely praised by key stakeholders such as the major French trade unions and the French national confederation of worker co-ops. However, internally, the broad grassroots support for the R&W project turned into initial contestation following the 2016 General Assembly. In this regard, in internal meetings in June and July, the individualist co-operators demanded that the Board terminate the R&W project with immediate effect. Furthermore, many other co-operators, although expressing their support for the continuity of the R&W project, asked the Board for clarification on any potentially adverse effects in their conditions arising from the cooperativisation of subsidiaries.

Episodic level of power: Mobilisation of non-decision-making power with an accommodative purpose. Episodic power involved the R&W Committee's engagement in non-decision-making politics to redefine the R&W project and proceed with the transfer of the co-op model within what were perceived to be politically safe boundaries for most co-operators.

The key episode that triggered Phase 2 was the R&W Committee's decision to initiate a process of internal debate in July 2016 that involved several small-group meetings with co-operators to gather their views on the future direction of the R&W project. This debate resulted in the publication in late September 2016 of the document *Exportable democratic principles*, which substantially relaxed the R&W project's original purposes. In particular, the project's new roadmap dismissed "any structural or statutory change" in the subsidiaries that would result in their "transformation into co-ops" or in granting their employees equal co-op ownership rights. Instead, the project's goal was redefined in more ambiguous terms in an attempt to give co-operators the latitude to accommodate their divergent perspectives (see Abdallah & Langley, 2014). The new goal was stated as being to "facilitate the dissemination, sharing and ownership of Up's democratic model and co-op principles and values across the Group's subsidiaries".

Under the R&W project's new guidelines, the R&W Committee proceeded with the transfer of the core co-op practices to the subsidiaries within the boundaries of what was perceived to be acceptable for most co-operators. In particular, transfer of employee share ownership was circumvented, whilst the other three core co-op practices (employee participation in strategic decision-making, profit sharing, and co-op training) were transferred in a superficial way.

As regards *employee participation in strategic decision-making*, according to Up's management, this practice was disseminated through the signing of an agreement that extended the EWC's involvement to the four areas (economic, co-operative, societal and environmental) that make up the parent co-op's corporate strategy. However, as the Spanish and Romanian delegates to the EWC claimed, this body only provides the subsidiaries with information and consultation rights, but does not grant them power to influence the HQ's strategic decisions.

As regards *profit sharing*, in 2017 Up introduced a profit-sharing scheme at several subsidiaries, although it bore marked differences to the HQ's profit-sharing system. First, the scheme establishes a 6% distribution share, not of the total after-tax profits obtained by the subsidiary but of the differential above a minimum profit threshold set by the HQ. Second, the scheme makes a hierarchical distinction: managers receive twice as much as employees. In Spain, for example, the former received €1,000 and the latter €500 in 2017.

> That's paternalism! The reality is that subsidiaries must pay a 'revolutionary tax' [dividends and royalty fees] to the HQ. Each year, a part of our profits goes to the HQ (…). So, is it fair that we receive a €1,000 bonus, whereas in France member-owners get a share of €20,000 every year? (Up Spain's delegate to the EWC; December 2018)

As regards *co-op training*, during 2017 and 2018 Up organised a series of "values workshops" that were defined as a "tool to provide staff at subsidiaries with training in Up's co-op business model" (Up's internal document *A unique culture and identity*). Yet the workshops yielded poor results in terms of staff literacy in cooperativism. The workshops consisted only of a 3-hour session in each of the subsidiaries and, moreover, they omitted key issues such as the functioning of co-op governing bodies and the rights and duties associated with co-op membership.

Systemic level of power: Enactment of an ambiguous discourse. The R&W Committee enacted an ambiguous discourse based on appeals to both the commercial and socio-political missions in a bid to accommodate the constituents' diverse perspectives on the R&W project.

The discursive mobilisation of *commercial precepts and beliefs* was aimed at making the conversion of subsidiaries into WCs or the bestowal of co-op ownership rights to their employees appear impossible vis-à-vis internal and external audiences.

Internally, the R&W Committee portrayed the subsidiaries' cooperativisation as a threat. Two main arguments were used. One emphasised that if subsidiaries were cooperativised, they would have the discretion to split off from Up or take decisions contrary to the HQ's interests, thus jeopardising Up's financial viability. The other argument drew on the fear that the co-operators' wealth would be jeopardised if ownership rights were granted to the subsidiaries' employees because they would consequently have the right to participate in profit-sharing.

Externally, the R&W Committee sought to justify the non-cooperativisation of subsidiaries through a stereotype-based rhetoric (see Koveshnikov et al., 2016) that relied on widely held, but fixed and oversimplified, conceptions of the host country's institutional arrangements so as to underscore their incompatibility with the co-op organisational model. This rhetoric bolstered the image of Up's co-op model as sophisticated and superior whilst portraying foreign subsidiaries as inferior and their host institutional environments as unsuitable for the French co-op model.

> Co-ops are well known in France, but in other countries there is not such a deep-rooted mutualist tradition as there is here (…). In Eastern Europe they don't want to hear about co-ops because people associate them negatively with the communist regime. (Up's Global HR Manager; follow-up interview; September 2018)

The discursive mobilisation of *socio-political precepts and beliefs* sought to depict the transfer of the three co-op practices (employee participation in strategic decision-making, profit sharing, and co-op training) as a proof of Up's pledge to the global transfer of the co-op model.

Internally, the R&W Committee described the transfer of such practices as a strategic action that primarily served socio-political purposes, yet without losing sight of market requirements.

> We have strived to align co-op identity with market imperatives by diffusing our collaborative practices rooted in democratic governance and shared wealth throughout the Group (…). These efforts not only demonstrate our commitment to disseminating the co-op model overseas but also contribute to promoting employee commitment and performance at subsidiaries. (Up Board member's speech; minutes of Up's 2018 General Assembly)

Externally, the R&W Committee deployed an 'impression-management rhetoric' (see Sillince et al., 2012) by depicting the diffusion of the three practices as the effective introduction of Up's co-op model in the subsidiaries whilst deliberatively omitting extant differences from the practices' original versions in place at Up's HQ. For example, Up's 2018 Annual Report extolled the successful equalisation of policies on profit sharing, employee training, and workers' involvement in decision-making between the parent co-op and the joint-stock subsidiaries.

Shift in hybrid relativity: Erratic reconciliation of the commercial and socio-political missions. The mobilisation of power in Phase 2 implied moving from a clear emphasis on socio-political goals to an erratic reconciliation of the commercial and socio-political missions within the R&W project. The ambiguous strategy enacted by the R&W Committee was ineffective in accommodating the constituents' divergent interests and meanings attached to the R&W project.

Internally, the ambiguous redefinition of the R&W project led to an escalation of internal conflict between idealist and individualist co-operators, as both groups deemed the changes introduced to be insufficient for meeting their expectations. Moreover, the integration of individualist co-operators' demands into the R&W project contributed to propagating the concerns and discourses associated with the commercial mission within the co-op, leading many other co-operators to redefine their priorities concerning the transfer of the co-op model.

> At first glance, the [R&W] initiative looked very nice (…), but division and tension soon emerged (…). Many of us backed out. After all, the cooperativisation of subsidiaries implies sacrifices (…). It means receiving a smaller share of the profits and taking the risk of sharing decisions with other workers who may have fairly different priorities and interests to ours. (Up employee-owner C; follow-up interview; February 2018)

Externally, subsidiaries' members dispraised the stereotypical discourse enacted by HQ and stressed the supportive institutional conditions offered by the Spanish and Romanian national business systems for the subsidiaries' cooperativisation. For example, Up Spain's delegate to the EWC claimed that "the co-op conversion of this subsidiary is feasible from a legal and cultural point of view", ascribing the main obstacle to be "the lack of political will of the French".

Phase 3 (2019–2021): Abandonment of the Roots and Wings project

The third phase was marked by the rejection of the socio-political goals and abandonment of the R&W project, with the consequent return to a more market-oriented vision in the co-op.

Audience-level context: Widespread criticism. By early 2019, it had become clear that the initial contestation from a minority group of individualist co-operators had given way to widespread criticism of the R&W project among internal and external constituents.

Internally, the beginning of 2019 was marked by a context of internal debate in the run-up to the next Board elections scheduled for June. Internal meetings held in January and February were particularly confrontational. Idealist co-operators demanded that the Board offer the subsidiaries the opportunity to become associated co-ops. In contrast, most co-operators conveyed to the Board their opposition to further cooperativisation of the subsidiaries.

Externally, there was also substantial criticism of the course of the R&W project. In particular, the members of Up's EWC and some French unions claimed that the progress in the transfer of the co-op model fell far short of the R&W project's original purposes.

Episodic level of power: Mobilisation of decision-making power with a revoking purpose. Episodic power basically involved the mobilisation of decision-making power by co-operators to elect a new Board that redirected strategic change efforts towards revoking the socio-political goals and concerns and reinforcing a market-oriented approach in the co-op.

The key episode that triggered Phase 3 was a corporate event held in March 2019 at which the CEO candidates for the next term (2019-2023), Catherine Coupet and Youssef Achour, presented their strategic proposals. Whilst Coupet stood up for further co-op development, Achour advocated enhancing financial performance at the subsidiaries. In June, Achour was elected as the CEO with 80% of the co-operator vote. The 2019–2023 Strategic Plan took on a clear market orientation that reframed the co-op's socio-political purposes within a business-like rhetoric of "extra-financial performance" and "commitment to corporate social responsibility (CSR)", whilst acknowledging that Up's aim "is not to change the world" (Up's 2019–2023 Strategic Plan).

The first measure adopted by the new Board was to promote greater centralised control over subsidiaries by making significant changes in the composition of their management teams. Between September and December 2019, local senior managers in several foreign subsidiaries were replaced by HQ expatriates.

The COVID-19 pandemic brought with it a new phase of reinforcement of the market-oriented approach in the co-op. In late 2020, the new Board designed a recovery plan that resulted in a major restructuring process involving the closure or sale of the least profitable subsidiaries, both in France and overseas, and a drastic staff downsizing—the total number of salaried employees in the Group was reduced by nearly 20% between 2020 and 2021.

In June 2021, the new Board officially announced the termination of the R&W project to the co-operators and the subsidiaries' staff representatives.

> [R&W] is no longer on the agenda. The message coming from France seems to be the opposite. They have sold several subsidiaries, even though some of them were not making a loss. Many workers have been dismissed (…). Their sole concern is profitability. (Up Spain's delegate to the EWC; follow-up interview; December 2021)

Systemic level of power: Enactment of a deterrent discourse. Systemic power involved the enactment by Achour's team of a discourse that drew heavily on commercial precepts and beliefs in order to delegitimise the cooperativisation of subsidiaries and deter idealist co-operators and subsidiaries' members from actively mobilising for the continuity of the R&W project.

Internally, Achour's team argued that the excessive focus on goals related to the diffusion of the co-op model to the joint-stock subsidiaries had meant losing sight of market requirements and had jeopardised the competitiveness and financial viability of the Up Group as a whole.

> The new Board acknowledged that significant advances had been made in the social and co-operative development of the subsidiaries, but argued that this had been at the expense of financial strength and profitability. (Up Board Member A; follow-up interview; March 2021)

Externally, Achour's team took the 'impression-management rhetoric' one step further, using it as a pretext to justify the reinforcement of a financial performance-oriented approach in the subsidiaries. In both their public speeches and in the messages included in Up's corporate disclosure, Achour's team emphasised that Up had already introduced its co-op philosophy and praxis in the subsidiaries in recent years, and that it was now imperative for the subsidiaries to deploy this co-op approach in a way that improved their productivity and financial results.

> [Subsidiaries] are operating under our same co-op values and practices, even though they do not formally have the legal status of a co-op (…). Now it's time to refocus on the company's fundamental challenges (…) and ensure that this CSR approach is deployed [by the subsidiaries] in a way that supports [Up Group's] economic recovery. (Up Board member; interview published in Up's 2021 Annual Report)

Shift in hybrid relativity: Heightened predominance of the commercial mission. The mobilisation of power in Phase 3 involved a shift from a mixed focus on commercial and socio-political missions to a clear prioritisation of commercial goals even more pronounced than during Jacques Landriot's tenure (1991–2013). Both the divestment of subsidiaries and the strategy of central control enacted by Achour's team were unprecedented actions in Up's history.

> [Until the arrival of the new Board] we had never closed a subsidiary or applied downsizing plans (…). We had always tried to find alternative solutions; from salary and social benefits cuts to reskilling programmes aimed at relocating redundant workers to other areas. (Up Board Member C; follow-up interview; October 2021)

The upshot was a clear return to a situation of mission drift which, moreover, encountered no substantial resistance from actors within Up Group. In this regard, the actions and discursive strategies enacted by the new Board led both the parent co-op and the subsidiaries to a state of political quiescence (Hardy, 1996), involving the absence of political mobilisation for upholding the socio-political goals and moving forward with the cooperativisation of subsidiaries.

Internally, the aggressive discourse mobilised by Achour's team to delegitimise the R&W project led many of the idealist co-operators to feel displaced (see Schildt et al., 2020) and to withdraw from political action in support of the continuity of the R&W project. Some of the main ideologues of the R&W project even decided to abandon Up.

> The alarmist discourse that the cooperativisation of the subsidiaries is detrimental to our interests has taken hold among most co-operators (…). The main promoters of the [R&W] project, including Coupet, have left Up (…). Many [idealist co-operators] have felt singled out. (Up employee-owner A; follow-up interview; October 2019)

Externally, the new Board's decision to divest the underperforming subsidiaries, along with its managerialist discourse focused on improving financial results, dissuaded subsidiaries' workers from further engaging in political demands to acquire a member-owner status.

> Little remains of those demands [to turn workers into co-operators] (...). Under the company's new management, workers' concerns have shifted to maintaining their jobs and working conditions. (Up Spain's delegate to the EWC; follow-up interview; December 2021)

Discussion

Our study of the process enacted within a multinational worker co-op to reverse mission drift via the transfer of the co-op model to its joint-stock subsidiaries makes a twofold contribution to the literature. First, we elaborate a process model of failure in reversing mission drift in hybrid organisations. Second, we deepen our understanding of the challenges faced by co-ops in disseminating their business model and collectivist-democratic practices across borders.

The Contested Process of Reversing Mission Drift in Hybrid Organisations

Extant research has examined the various strategies used by hybrid organisations to successfully anticipate and prevent mission drift (e.g., Battilana et al., 2017; Ometto et al., 2019; Wolf & Mair, 2019; Smith & Besharov, 2019). In contrast, this article investigates the understudied process of reversing mission drift and 'rehybridising' the organisation (Ramus & Vaccaro, 2017; Grimes et al., 2019; Klein et al., 2021). Our findings suggest that reversing mission drift once it has already occurred is more challenging than preventing it in the first place because the former requires dismantling norms and beliefs that have long prevailed in the organisation.

The case of Up features a co-op that failed in its attempt to reverse mission drift. The co-op went from an initial determination to address mission drift and revitalise the socio-political mission to a gradual hesitation and, finally, to outright rejection. Figure 1 presents our process model of failure in reversing mission drift in hybrid organisations. The model comprises three phases (implementation of the strategic project to reverse mission drift, redefinition of the project, and abandonment of the project) and cuts across three levels of analysis (audience-level context, power mobilisation, and shift in hybrid relativity).

[INSERT FIGURE 1 ABOUT HERE]

The *audience-level context* represents each phase's initial conditions, afforded by the perceptions and preferences of the internal and external stakeholders as regards the relationship between missions within the organisation (Grimes et al., 2019). The *power mobilisation* level of analysis captures how key organisational actors interpret the audiences' feedback and demands, and draw upon episodic and systemic power to mobilise for or against those demands (Waeger & Weber, 2019). The bidirectional arrows between episodic and systemic power indicate the mutually constitutive relationship of both levels of power in strategic change; in our case, with instances of episodic power initiating change, and systemic forms of power being harnessed in a bid to gain the resources and legitimacy necessary to accommodate and institutionalise change (Lawrence et al., 2012). The *hybrid relativity* level of analysis captures the effects of the mobilisation of power in the relative importance ascribed to each mission within the organisation (Shepherd et al., 2019). The shift from one phase to another occurs because the alteration of hybrid relativity generates critical outcomes that, in turn, lead to changes in the audience-level context that will affect political action and outcomes in subsequent phases.

The first phase of our model is the implementation of the strategic project to reverse mission drift. This phase arises in response to internal and external stakeholders' awareness of the existence of a mission drift situation and the need to tackle it (Ramus & Vaccaro, 2017). Our model emphasises that the mobilisation of power is crucial for enabling the revitalisation of the dormant mission (in our case, the socio-political mission), since the organisation has long been embedded in the norms and behaviour prescribed by the dominant mission (in our case, the commercial mission). A key task facing proponents (i.e., those proposing the initiative to tackle mission drift) is to construct a discourse that reinvigorates the identity and values associated with the dormant mission (systemic power) in order to institutionalise concrete decisions and actions (episodic power) that effectively bring the organisation back to its original pluralistic nature.

The reinstitution of the dormant mission inevitably involves a redistribution of symbolic and material resources within the organisation (Grimes et al., 2019). In some cases, such redistribution may be rather unobtrusive or widely accepted by most actors (Waeger & Weber, 2019), allowing the organisation to return to its original hybrid state. In our case, however, the restoration of socio-political goals involved a striking redistribution of decision-making authority and wealth among the co-operators. Such changes led some co-operators to overtly express their opposition to the strategic project, thus providing the impetus for the transition to Phase 2.

The second phase of our model is the redefinition of the strategic project to reverse mission drift within an audience-level context marked by initial contestation from the challengers (i.e., those members who primarily adhere to the initially dominant mission). Destabilization begins at this stage when proponents decide to reformulate the project's goals and agenda in order to accommodate the challengers' prerogatives and demands. Our model suggests that mobilisation of non-decision-making power is necessary to reframe a project to reverse mission drift within more ambiguous boundaries that allow the various actors to accommodate their divergent perspectives and priorities (Sorsa & Vaara, 2020). At the systemic level of power, our model emphasises the enactment of an ambiguous discourse that appeals to the multiple identities and beliefs that coexist within the organisation in a bid to promote the identification of the various actors with the revised strategic project (Sillince et al., 2012; Spee & Jarzabkowski, 2017).

Research to date has documented the enabling role of strategic ambiguity in achieving at least partial consensus among actors with divergent interests in relation to a strategic change initiative (Sillince et al., 2012; Sorsa & Vaara, 2020). Our study, however, reveals the double edge of strategic ambiguity (Abdallah & Langley, 2014; Spee & Jarzabkowski, 2017) and how it can result in an erratic reconciliation of competing missions within an initiative to tackle mission drift. In particular, our findings show that the ambiguous redefinition of the strategic project induced confusion and increased internal conflict, as constituents generally deemed the project's new goals and agenda to be ambivalent and insufficient to fulfil their expectations.

The third and final phase of our model is the abandonment of the strategic project to reverse mission drift. The initial contestation can be extinguished if proponents are able to either prevent challengers from actively participating in the strategy process (see Schildt et al., 2020) or to effectively accommodate the actors' varying perspectives and priorities within a revised strategic project to address mission drift. Failure to do this could lead to the initial contestation turning into widespread criticism among internal and external stakeholders, as it did in our case.

Widespread criticism is likely to drive challengers to draw upon decision-making power to adopt specific actions that restore the dominance of the initially prevailing mission. Nevertheless, in order to avoid perpetual conflict, a critical task for challengers is to enact a discourse that effectively deters proponents from mobilising in favour of reversing mission drift, and leads them towards a state of political quiescence (Hardy, 1996). In these circumstances, the outcome is the return to a situation of mission drift that is unlikely to be contested by organisational actors, at least in the short term. However, it is evident that the organisation may engage in efforts to reverse mission drift once again in the future. Therefore, our process model can be seen as cyclical, involving alternating phases of relegation and resurgence of specific missions.

In summary, our model emphasises the central role of power in the process of reversing mission drift in hybrid organisations, thus providing an important contribution to the literature. Despite hybrid organisations being commonly depicted as "arenas of internal conflict" (Pache & Santos, 2013, p. 995) and "sites of contradiction, contestation and conflict" (Doherty et al., 2014, p. 425), extant research has overlooked how power influences the maintenance of organisational hybridity over time (Mangen & Brivot, 2015; Brès et al., 2018). Our analysis shows how shifts in patterns of political action provoke shifts in the way each mission is construed and enacted within the organisation. Initially, power played a facilitative role, as it enabled the reinstitution of the socio-political mission within the co-op. However, initial signals of political contestation precipitated an ambiguous redefinition of the strategic project to tackle mission drift, which was ineffective in reconciling the tensions between the socio-political and commercial missions. Finally, power played an inhibiting role, as it led to a rejection of the socio-political purposes.

The Cross-National Transfer of Organisational Practices in Multinational Co-ops

Our study also makes a contribution to the more specific field of co-op organisation and management studies. In particular, we address calls in the literature to examine more closely the challenges that co-ops face in disseminating their business model and hallmark organisational practices across borders (Cheney et al., 2014; Bretos & Errasti, 2017; Battilana et al., 2022).

Extant research has adopted a macro-institutional lens that puts the focus on how institutional arrangements at the host-country level either facilitate or hinder co-ops from effectively transferring their hallmark collectivist-democratic practices (Flecha & Ngai, 2014; Barin-Cruz et al., 2016; Bonache & Zárraga-Oberty, 2020; Mair & Rathert, 2021; Spicer, 2022; Spicer & Kay, 2022). However, our findings suggest that issues of power and interests may play a more determinant role. Drawing on a political approach to the MNC (Geppert et al., 2016; Clegg et al., 2018), we describe practice transfer in multinational co-ops as a conflictual process shaped by the agency of multiple actors at the parent co-op and the subsidiaries who hold different power resources, interests and identities (Ferner et al., 2012; Bjerregaard & Klitmøller, 2016).

The evidence collected uncovers a noticeable reluctance of Up to engage in the substantial and widespread cross-national dissemination of the co-op model which cannot be attributed to institutional constraints in the host regions, but rather to the co-operators' interest in preserving their privileges and decision-making authority. In particular, our study provides a fine-grained analysis of the pattern of cross-border transfer of the four organisational practices that make up the core of Up's co-op model (co-op employee share ownership, share-based profit sharing, employee participation in strategic decision-making, and co-op training).

Cross-border transfer of employee share ownership was effectively dodged by Up, as opening up co-op ownership rights to subsidiaries' employees was deemed by most co-operators to be risky for the co-op's viability and thus to compromise their jobs and wealth. Importantly, our study illustrates how Up management used stereotype-based references to host-country institutions (Koveshnikov et al., 2016) in a bid to justify the non-bestowal of co-op ownership rights to subsidiaries in the eyes of stakeholders. This reveals how host-country institutional arrangements can be mobilised as rhetorical resources (Ferner et al., 2012) by powerful actors seeking to perpetuate the otherness of the foreign unit and its dependence on the parent co-op.

The other three core co-op practices were transferred within the limits of what was perceived to be useful for improving productivity in the subsidiaries whilst politically safe for the interests of most co-operators. Specifically, these practices were transferred in a superficial rather than substantial way, as the versions of practices introduced in the subsidiaries bore marked differences to their original versions in place at the parent co-op. Up deliberately modified the practices before their cross-border transfer, not to ensure the practices' internal and external fit with the new local context (see Luzarraga, 2008) but to safeguard the co-operators' wealth and keep the extant power relations with the subsidiaries largely intact. As a result, the way these practices were diffused did not translate into significant changes in the subsidiaries in terms of workers' control, economic democracy, and literacy in the co-op business model.

Limitations and Future Research

Our study has several limitations that call for future research. First, our study has dealt with politicisation of multinational WCs "from within" (Clegg et al., 2018) by examining how political interactions among organisational members provoke evolutions in how each mission is enacted within the organisation. Future research could extend the focus to politicisation "from the outside" and investigate how multinational WCs politically interact with other co-ops and related social movements beyond national borders. It would be particularly instructive to examine how these interactions can help co-ops sustain their hybridity over time and contribute to institutionalising their business model in other industries and national settings.

Second, similar to other WCs, Up has internationalised in order to remain competitive in global markets and thereby secure the jobs and incomes of the parent's co-operators (Flecha & Ngai, 2014; Bretos et al., 2019; Spicer, 2022). However, other hybrid organisations have been found to proactively pursue international expansion as a means to scale up their business models and innovations beyond the local context (Doherty et al., 2014; Kannothra et al., 2018; Bauwens et al., 2020; Bolzani et al., 2020). Future studies could investigate how these organisations cope with mission drift pressures arising from internationalisation, as well as how they coordinate their global subunits and engage in the cross-border transfer of their organisational practices.

Finally, we contend that the business and society research agenda can benefit from engaging further in the investigation of how multinational hybrid organisations navigate institutional plurality. More specifically, a promising avenue for new research lies in looking at how these organisations deal with challenges arising not only from their embeddedness in multiple local contexts but also from the need to reconcile competing demands associated with their plural missions. This is crucial in a context in which MNCs are increasingly urged to balance financial performance with the pursuit of a variety of goals related to democratic governance, social-problem solving, and environmental sustainability (Bolzani et al., 2020; Ambos et al., 2020).

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Author Biographies

Ignacio Bretos (PhD, University of Zaragoza) is an assistant professor at the University of Zaragoza's School of Economics and Business. His research interests focus on critical management studies and alternative organisations. His articles have been published in such journals as *Annals of Public and Cooperative Economics*, *ILR Review*, *Human Resource Management Journal,* and *Organization*.

Carmen Marcuello (PhD, University of Zaragoza) is a full professor at the University of Zaragoza's School of Economics and Business. Her research interests focus on health economics, social and solidarity economy, and social innovation. Her articles have been published in such journals as *Annals of Public and Cooperative Economics*, *CIRIEC-España, Revista de Economía Pública, Social y Cooperativa*, *Nonprofit and Voluntary Sector Quarterly*, and *Small Business Economics*.

Anjel Errasti (PhD, University of the Basque Country) is an associate professor at the University of the Basque Country's School of Economics and Business. His research interests focus on workplace democracy, social economy, and international political economy. His articles have been published in such journals as *Annals of Public and Cooperative Economics*, *Economic and Industrial Democracy*, *Organization*, and *Review of Radical Political Economics.*

Table 1. Distribution of employment across Up Group

Site / Geographical area	2014	2015	2016	2017	2018	2019	2020	2021
Up parent co-op	356 member-owners	386 member-owners	635 member-owners	664 member-owners	672 member-owners	685 member-owners	692 member-owners	710 member-owners
France (excluding Up parent co-op members)	727 employees	786 employees	730 employees	784 employees	797 employees	801 employees	755 employees	452 employees
North-Western Europe	352 employees	255 employees	278 employees	297 employees	358 employees	361 employees	282 employees	148 employees
Mediterranean Europe	264 employees	200 employees	209 employees	224 employees	273 employees	270 employees	294 employees	251 employees
Eurasia	282 employees	494 employees	565 employees	550 employees	597 employees	620 employees	633 employees	692 employees
Americas	374 employees	565 employees	979 employees	946 employees	913 employees	1014 employees	903 employees	728 employees
Total number of joint-stock subsidiaries	27 subsidiaries in 14 countries	31 subsidiaries in 17 countries	32 subsidiaries in 17 countries	34 subsidiaries in 19 countries	37 subsidiaries in 20 countries	43 subsidiaries in 26 countries	45 subsidiaries in 28 countries	35 subsidiaries in 22 countries
Up Group total staff	2,355	2,685	3,396	3,465	3,593	3,751	3,541	2,951
Percentage of member-owners over total staff	15%	14%	19%	19%	19%	18%	20%	24%

Note: Annual data refers to 31st December.

Table 2. Data sources

Type of data	Description	Use in analysis
Semi-structured interviews	Up HQ: 9 interviews (September 2016); 7 follow-up interviews (November 2017–October 2021) Up Spain: 8 interviews and two focus groups with 10 informants (December 2018); 4 follow-up interviews (July 2019–December 2021) Up Romania: 8 interviews and two focus groups with 9 informants (June 2019); 3 follow-up interviews (May 2021–December 2021)	Description of Up's domestic and international expansion, organisational practices adopted at the parent co-op and the subsidiaries, and perceived challenges and opportunities in introducing the co-op model in the subsidiaries. Tracking the design and launch of the R&W project, and its implementation in the subsidiaries.
Non-participant observation	Up HQ: One week, in September 2016 Up Spain: One week, in December 2018 Up Romania: One week, in June 2019	Observing the ambiance, personal interactions between staff, their shared talk and culture, and their behavioural routines. Better interpretation of informants' accounts in interviews.
Secondary interviews	Up HQ: 13 interviews of managers and members of the governing bodies published in the media (2012–2021); transcripts of 26 in-house interviews conducted by Up's Board between 2014 and 2018 to assess the co-operators' views about the R&W project.	Enriched understanding of HQ members' views about Up's internationalisation and transfer of the co-op model to the subsidiaries. Tracking of Up's official corporate narrative and public speeches about the R&W project.
Press articles	33 press articles about Up Group (2004–2021).	Integration of information about Up's history and culture and the unfolding of the R&W project.
Annual reports	Up HQ: 18 annual reports, CSR reports, and extra-financial performance declarations (2012–2021).	Fine-grained tracking of historical decisions, actions and performance. Triangulation of interviewees' statements.
Company biographies	3 company biographies: *From a small worker co-op to a leading international co-op group: the Up Group Experience* (Matray & Poulnot, 2016); *Un billet pour l'utopie: Groupe Chèque Déjeuner, 50 ans d'esprit coopératif* (Zimmer & Merlant, 2014); *Georges Rino se met à table* (Rino & Baron, 1987).	Reconstruction of Up's early development, especially from 1964 to 1990, a period which was only partially represented in other data sources. Triangulation of interviewees' recollections.
Internal documents	Up HQ: 2 strategic plans (2014–2018 and 2019–2023); 2 booklets describing Up's milestones, values, and governance; 5 reports on the R&W project; minutes of 5 General Assemblies (from 2014 to 2018). Up Spain and Up Romania: 1 booklet about Up's culture; 4 reports with guidelines for the implementation of the R&W project; 5 reports about the organisational practices in force at the subsidiaries; 2 reports about the key decisions adopted in the EWC between 2014 and 2018.	Examination of the stated goals and planning of the R&W project throughout its different stages. Detailed account of Up's organisational culture and values, and how they are disseminated to the subsidiaries. Triangulation of informants' accounts of the organisational practices actually implemented at the subsidiaries and how the R&W project's formal policies have translated into actual actions in the subsidiaries.

Table 3. Informants

Type of interview	Up HQ (parent co-op)	Up Spain	Up Romania
Individual interviews	Board member A	Up Spain's CEO (HQ expatriate)	Up Romania's CEO
	Board member B	HR Manager	HR Manager
	Board member C	HR middle manager	Marketing Manager
	Board member D	Finance Manager	Innovation and CSR Manager
	Global HR Manager	Marketing Manager	Legal Operations Manager
	Employee-owner A	Process Innovation Manager	Customer Relationship Manager
	Employee-owner B	Employee	Employee
	Employee-owner C	Spanish delegate to the European Works Council	Romanian delegate to the European Works Council
	Works Council member		
Focus group interviews	–	One focus group with 4 middle managers	One focus group with 4 middle managers
		One focus group with 6 employees	One focus group with 5 employees

Table 4. Chronology of critical events in Up's history (1964-2021)

Period	Year(s)	Event
Period 1 (1964-1990) Mission balance	1964	The consumer co-op *Chèque Coopératif pour la Restauration* is founded in Paris by 20 members belonging to the three major union confederations in France: Force Ouvrière, Confédération Générale du Travail, and Confédération Française Démocratique du Travail.
		Georges Rino, leader of Force Ouvrière and the main promoter of the co-operative, is appointed as the CEO.
	1967–71	Rapid development of the meal voucher concept in France, thanks to the legal guarantees offered to companies and to trade union support.
	1972	The consumer co-op turns into a worker co-op, with 24 worker-members, and its name changes to Chèque Déjeuner.
	1973	Despite having a workforce below the legal threshold of obligation, Chèque Déjeuner creates its own Works Council.
	1974–80	Moderate growth of the company. By 1980, the co-op is owned by 50 worker-members.
	1981	Chèque Déjeuner establishes a solidarity fund for social welfare and assistance for company employees and retirees.
	1982–88	Several European countries develop detailed legal frameworks for voucher-issuing activities. Large competitors begin to emerge and gain market share, including multinationals such as Accor and Sodexo, which today are global leaders in the industry.
		In 1986, Chèque Déjeuner sets up the 35-hour working week with no salary cuts, 14 years before its statutory requirement in France.
	1989	The decision to internationalise is adopted by the Board of Directors by a narrow majority (only one vote), and it includes a commitment to engage in international expansion through the co-operative formula.
	1990	Beginning of product diversification with the launch of book vouchers in France.
		The first foreign subsidiary is established in Italy through a joint venture with the local co-op *Camst*, and with the support from local trade unions. The initial plan is to transform the subsidiary into a worker co-op within the next 5 years.
Period 2 (1991-2013) Mission drift	1991	Jacques Landriot takes over from Georges Rino as new CEO, opening up a new era of diversification, non-cooperative growth, and prioritisation of quality, client satisfaction, and financial performance, in response to growing global competition in the industry.
	1992–98	Extraordinary domestic expansion and diversification, with the launch of vouchers in the areas of culture, leisure and social services. By 1998, Chèque Déjeuner has more wage labourers (320) than co-op member-owners (160) in France.
		Further international expansion: Spain (1992), Czech Republic and Slovakia (1995), Hungary (1996), and Poland (1997).
		Chèque Déjeuner acquires Camst's stake in the Italian subsidiary. The Board rules out transforming this subsidiary into a co-operative.
		The original top-bottom pay ratio of 3:1 is extended to 8:1 in order to attract external managers (1996).
		The co-op becomes more professionalised with greater division of labour and the creation of new management posts. The greater size and complexity of the co-op leads to a decline in direct democracy under more bureaucratised decision-making structures and processes.
		Non-cooperative growth results in tension and estrangement with French trade unions and Social and Solidarity Economy networks. Some important collaboration agreements with co-operative federations at regional and national level are not renewed.
	1999	The *Chèque Déjeuner Foundation* is created with the aim of supporting local social innovation projects from a more private perspective, aside from local co-operative federations and Social and Solidarity Economy networks.
	2000–10	Further diversification with the launch of new vouchers in the areas of home care, food, social action and leisure.
		Further international expansion: Romania (2002), Bulgaria (2004), Morocco (2007), Portugal (2009) and Turkey (2010).
		The co-op weathers the 2007–2008 financial crisis. Although wages and social benefits are cut in several subsidiaries, none are closed.
		The extraordinary financial success of the co-operative attracts co-operators with a deeply individualistic and capitalist vision.
	2011	The co-op's top-bottom pay ratio of 8:1 is extended to the current ratio of 14:1.
	2012–13	Further international expansion: Germany (2012) and Mexico (2013).
		Jacques Landriot officially announces that he will retire by September 2014.

Period 3 (2014-2021) Attempt to reverse mission drift	2014	In January, Catherine Coupet officially announces her candidacy for CEO. No alternative candidacies are submitted.
		At the General Assembly in June, 75% of the co-operators vote in favour of entrusting the new Board of Directors with the task of studying possible solutions for extending the co-operative model to the subsidiaries.
		In July, an internal committee is set up with the task of elaborating the specific objectives and contents of a strategic project that fulfils the co-operators’ mandate expressed in the General Assembly.
		In October, the contents and planning of the designed project, called Roots & Wings (R&W), are presented to the co-operators.
		In November, the co-op creates a European Works Council, comprising 18 elected officials from six countries: France, Spain, Romania, Slovakia, the Czech Republic and Italy.
	2015	*Chèque Déjeuner Group* changes its name to *Up Group*.
		At the 2015 General Assembly, held in June, 88% of the parent co-op’s member-owners vote for the cooperativisation of three French subsidiaries (Chèque Domicile, Cadhoc and Rev&Sens).
		From June to December, the employees of the three subsidiaries complete an intensive training process in the co-op culture and values.
	2016	The three French subsidiaries are merged into the parent co-op in January, and their 249 employees become full member-owners of Up.
		At the 2016 General Assembly, held in June, individualist co-operators overtly express their opposition to the R&W project.
		In September, the R&W Committee redefines the R&W project in a way that substantially relaxes the commitments originally adopted on the extension of the co-op model to the subsidiaries.
		In December, Up signs an agreement to extend the powers of the European Works Council.
	2017–18	A profit-sharing scheme is introduced in several European subsidiaries.
		Values workshops are run in 10 foreign subsidiaries (Spain, Romania, Italy, Poland, Morocco, Czech Republic, Slovakia, Mexico, Belgium and Brazil).
	2019	In internal meetings held in January and February, most co-operators express their discontent with the course of the R&W project.
		At the 2019 General Assembly, held in June, Youssef Achour is appointed as Up’s CEO with 80% of the co-operator vote.
		The submitted 2019–2023 Strategic Plan takes on a clear market orientation and makes no explicit reference to the R&W project.
		The new management team implements a strategy of centralised control over subsidiaries.
		In November, Catherine Coupet leaves Up after 26 years at the co-op. Some of the senior managers closest to her do the same in the following months.
		Further international expansion: Serbia, Colombia, Chile, Costa Rica, Ecuador, Panama and Peru.
	2020–21	Application of a divestment strategy in both the domestic and international markets and drastic staff downsizing. Ten subsidiaries, mainly in France and Latin America, are closed or sold off.
		In June 2021, the Board officially announces the abandonment of the R&W project.

Figure 1. A process model of failure in reversing mission drift in hybrid organisations