Course title

Student name

Institution affiliation

**Workers Co-op**

The social issue is any problems that affect a considerable number of people in the society and in this case the social problem that will be discussed is the issue of underemployment which affects a great number of people in the society. Technology has changed over the years, and with the technological changes there are a number of advantages and disadvantages that come with it and underemployment is as a result of technological change. Underemployment is caused by a situation where the workers are not in a position to apply all the skills to the greater goal of the organization.

There are two different types of underemployment, and this includes worker that perform part-time jobs, but they are in a position to do full-time jobs, so they end up doing more than two jobs in different organizations, and this is known as the visible underemployment, and there are those that are full time employed but cannot apply all their skills in the jobs and sometimes the workers don't even realize that their skills can be utilized elsewhere (Rahman, Nasrin and Akter, 2017). This kind of unemployment is difficult to measure because it is invisible, and therefore, it requires extensive surveying. Underemployment is majorly caused by a recession that occurs as a decline in economic activity in a society.

There are also situations when the supply of the workers is higher than the demand and this can be due to the technological change where the machines are being used to replace the employee's labor making the employer to lay off some staff because the labor needed is reduced to a certain level and this as much as it causes unemployment it also causes underemployment because the staff left behind will not be able to apply all their skill at the job even though they work full time.

The effects of underemployment are the same as those of unemployment because they both cause high levels of poverty in the society and families with limited income cannot buy much leading to a drop in the consumer demand and this, in turn, the growth of businesses resulting in a reduction of the gross domestic product and this affects the entire society (Tang and Tang, 2017). Underemployment makes the workers lose the ability to update their skills because they are not fully challenged in their current jobs. In the long run, this causes structural unemployment. This trend can make graduates to lack better jobs that can help them kick off their careers, and therefore they end up doing jobs that are below their skills, and this affects them later in life as they will not be able to rise up the career ladder.

Workers cooperatives is a business that is value driven, and members of the workers cooperative come up with a business idea that benefits the community, and this can help in curbing the social problem of underemployment. All the members of this group participate in the financial success of the business (Mikulskiene and Zileniene, 2013). Worker cooperatives are a model that empowers the workers to contribute majorly to the business with an increased principle sharing and democratic control that helps them enjoy the influences over the business decisions as well as more equitable share in the business.

Stakeholder theory indicates that it includes everyone in the company that is affected by the company's performance and this can also include the employees as well as the shareholders, in the case of the worker's cooperatives everyone has a say in the business because they contribute to the economic development of the company (Flak, Nordheim and Munkvold, 2008). Coming up with a business is never easy, and before the cooperative is formed, the members need to do a number of things regarding the market research to come up with the best business suitable for the region. The feasibility study should be conducted to determine what a community needs and then come up with a business plan that is in line with the business to be opened. After completing all these procedures, the doors should be open and the business should be up and running.

Worker cooperative involves a number of people, who are stakeholders in the company, and everyone has different ideas concerning different views, and this can lead to constant conflict between the stakeholders (Chung and Crawford, 2016). Managing projects within the business can sometimes become complex because the shareholder's views should be regarded first in any decision-making process in a company due to the virtue of the business traditions and norms. This kind of perception can lead to the downfall of the business as there are chief executive officers who can take over the process of decision making because they understand the business well.

The idea of the worker's cooperatives are workers coming together to invest in a business in order to equally share the profits, and ultimately they have common goals and common ownership, but as the business begins to thrive, the dynamics of conflicts begin to arise as the shareholders start having diverse ideas regarding the company (Douglas and Lubbe, 2006). The stakeholders tend to have different interests in the business, for example, cutting on jobs to reduce costs will definitely be supported by the shareholders but will be greatly opposed by the employees as they are the ones that will be affected most. Another issue that can have varied ideas is to increase the prices of goods and services to maximize on profits, and this will be opposed by the customers who are the backbone of every organization, and therefore the interests must be put into an account for the growth of the business.

In conclusion workers co-op has a number of benefits to both individuals and the society at large as it helps to deal with social problems by building the local wealth because the profits from this business help in building the local economy, the cooperatives create quality jobs to the local leading to meaningful change for underserved populations. The issue of underemployment can be well solved by the introduction of the worker's cooperatives.

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