



CO-OPERATIVE INFORMATION SHEET

Co-operative Membership Planning

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At the heart and soul of a co-operative are its members. Unlike other so-called memberships such as wine shop clubs or gymnasiums, membership of a co-operative comprises two intertwined relationships - that of a customer and that of an owner.

The connection with the co-operative is one of mutual benefit. When a member joins a co-operative, they gain access to a group of like-minded people to undertake an activity that will benefit the whole group.

Each co-operative is required to define an active membership provision in their constitution which spells out what level of activity must be undertaken by each member to retain the right of membership.

An example of active membership is The Wine Society (their full name is The Australian Wine Consumers' Co-operative Society Limited) where members are required to purchase at least \$100 worth of wine or services from the co-operative each year.

Each member of a co-operative has a responsibility to support their co-operative by being an active member. In return, the co-operative has the responsibility to understand and service the needs of its members in an ethical and transparent way.

The co-operative must be accountable to its member/owners and engage and involve them in their co-operative.

A solid relationship must be planned. It is essential that the board of each co-operative understands the needs of the members and responds accordingly.

Take for instance, the Annual General Meeting. While the AGM should not be the only time that members come together, it is an important milestone each year where the co-operative leadership report on their stewardship for the preceding year and lay out their plans for the next year.

The board should create an environment where members feel comfortable asking questions and receiving information to maximise their involvement. The shape of the meeting depends on members and their needs. For example, the time of day and place of the meeting - does this suit the co-operative or the members? Does the co-operative need to take the AGM to the members? For example, a large diverse co-operative may need to hold a series of meetings in a number of places and at different times to suit members' commitments.

Planning to engage the membership begins with the process of formation of the co-operative.

It is important to have a vision of member involvement and member participation from the very start, and the commitment to carry it through the life of the co-operative surviving the changes of leadership. The challenge is to embed a membership culture in the co-operative.