## BOARD OF DIRECTORS

## **Appreciating the Diversity of Member**

#### BY MARILYN SCHOLL

n my work with food co-op boards and staff over the past 30 years, one of the questions I have often encountered is this: How can we get more people more involved at the co-op? The question has prompted a lot of soul-searching and hand-wringing. Co-op leaders intuitively believe that member involvement is vital to the health of the cooperative, but what's not so clear is what member involvement really means. Involvement in what? How much is enough?

I believe that a member's involvement depends as much on his/her own needs, motivations, and desires as it does on anything the co-op does or doesn't do. Our lives have abundant opportunities for involvement in a wide variety of organizations and pursuits. Many of us have been drawn to become deeply involved in our cooperatives. Others are drawn to other interests. Our communities are richer because of this diversity. Along with those deeply involved in the co-op, who will take care of our public libraries, rape crisis centers, and environmental protection organizations—to name just a few? Food co-ops need some involvement from some members, and so do other valuable community organizations.

#### Co-op psychology 101

As I've thought about members' needs and motivations, I have been reminded of Maslow's hierarchy of needs, something I first learned in Psychology 101. Maslow conducted a career's worth of research to develop his theory, and while not a perfect fit, it can offer useful ways of thinking about member involvement in a food co-op.

Maslow believed that human needs are arranged in a hierarchy from the most pressing to the least. A person will try to satisfy his or her most pressing needs first. If one need is satisfied, a person will try to satisfy the next most important need. (*See Figure 1*.)

Applying this hierarchy of needs to a food co-op, a person's most basic need is the store itself. To be successful, a co-op must offer products and services that meet specific people's needs and interests. Satisfying people at this level is a co-op's first priority, and the co-op's economic survival depends on doing it well. Note that the International Cooperative Alliance "Statement of Cooperative Identity" defines a cooperative as "an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations."

If someone isn't satisfied by a shopping experience, he or she will not seek a higher level of involvement—people will not typically join a co-op if the co-op's services do not meet their needs. However, if the store is a great place to shop, some customers will seek a higher level of involvement by joining the co-op.

Some of the people who join the co-op will be interested in more than a great store with great member benefits. They want to belong, to feel connected with something bigger, something positive in their community, and to make a difference with their purchases. Some people want a sense of community with their food. In Maslow's third level of need, people have social needs and desire a sense of belonging. Some people will seek to satisfy this need for belonging at the co-op.

Finally, if the co-op meets people's needs for a great place to shop and provides them with a sense of belonging, some will become even more engaged in the life of the co-op—offering suggestions, participating in decision-making, running for the board of directors, or applying for a job. A co-op needs enough people participating at this level to ensure effective democracy and responsiveness, but it's realistic to expect that only a very small percentage of customers will choose this deepest level of involvement.

### Figure 1. Maslow's Hierarchy of Needs

**Self-actualization needs** (Growth and development)

Esteem needs

(Self-esteem and recognition)

**Social needs** (Sense of belonging, love)

Safety needs (Security, protection)

Physiological needs (Hunger, thirst)

People have a right to choose the activities they want to pursue and their own level of involvement in the co-op. There are no "wrong" levels of member involvement. At whatever level people choose—even if all they do is shop—they feel they are involved and participating, and we should think so too! The co-op's job is to serve people's needs rather than to try to change them. We should welcome and be grateful for all levels of participation. People's needs frequently change over time, and if the co-op has been successful and nonjudgmental at meeting basic needs, it will be there for people as they change. The co-op can support people by making it easy and inviting to change their level of involvement (whether more or less) without guilt or pressure.

Using Maslow's hierarchy of needs and my experience with food cooperatives, I've developed a model of member involvement in food co-ops that can be useful for boards of directors and managers in thinking about the diversity of people's needs and how to satisfy those needs and benefit the co-op at the same time. (*See Figure 2.*) This member involvement model highlights three key categories of needs—economic, belonging, and engagement.

#### Fueling the economic engine

A co-op will not survive as a business if it isn't successful in the economic relationship with customers. A co-op needs to be well attuned to what its members and customers want and to provide them with a great shopping experience that meets their expectations. Both the co-op and its members can prosper if products and services are closely aligned with member needs. It might sound simplistic, but sales growth is probably the clearest indication that members are involved in their co-op and contributing to its ability to thrive.

The vast majority of customers, including both members and nonmembers, are involved at this economic level, so it's vital that a co-op carefully and astutely address their needs to ensure success and business survival. It is especially important to appreciate consumers for their participation as shoppers, to show how the co-op, the members, and the community at large benefit from patronage of the co-op. It is good reinforcement and a very powerful message.

## **Needs and Motivations**

### Figure 2. Levels of Co-op Involvement



The economic level of involvement includes both member and nonmember customers. Research conducted by membership organizations from retail clubs to churches suggests that as many as 60% of the population are non-joiners. Many people will partake in an organization's offerings but choose not to join.

For food co-ops to attract those people who are joiners, the benefits of membership need to be tangible and clearly communicated. The co-op benefits from members' patronage as well as from the member equity investment. In exchange, members receive some tangible benefits. However, they are also contributing something more difficult to quantify but just as important as the financial bottom line, and that is the means to building community.

#### Creating a sense of belonging

Many people want something more from their involvement in the co-op. They want to be part of an organization that shares their values and makes a difference in the community and in the world. I call these social members. They have a more personal relationship with the co-op; they like the sense of community they get from the co-op and will participate in the co-op's social activities. These are folks who will show up for the harvest festival or Earth Day events. The visibility of the co-op in the greater community is important to them.

Social members may be more interested in what band plays at a co-op social event than in who serves on the co-op board. If so, it is unlikely that cajoling will inspire any further interest in board elections. However, those members who love to dance have something to offer their co-op. Good spirit and celebration shouldn't be underestimated. An inspired gathering can do a lot for spreading the co-op's message of community-building.

Another way members strengthen the co-op is by spreading the word, telling their friends and neighbors about the co-op. Because they feel they are part of something more than a store, their loyalty is critical. Because our co-ops aspire to being a link in a sustainable and more just society, cultivating this ambassador relationship with our members is significant to our cooperative mission. •>

### Levels of Co-op Involvement— Category Definitions

**Customers** are people who shop at the co-op but are not members. They may or may not be aware of the membership option. They like shopping at the co-op but may leave if a competitor offers more convenience, better selection, or lower prices.

**Shopping members** like the store and join primarily because of the economic benefits. Their primary interest is "what's in it for me." They do not necessarily think of themselves as owners or easily understand the difference between the co-op and other stores.

**Social members** like belonging to the co-op, though they may not experience the connection as "ownership." They care about what the co-op stands for in the community. They are more likely to attend a co-op dance than the membership meeting.

**Member owners** are people who understand that the co-op has a different ownership structure and that the member is a part owner. They are interested in the governance of the co-op and are willing to be more involved when this is convenient. They feel that they should go to the annual meeting and vote in elections, and occasionally they do so.

Active owners are actively involved in the co-op. They are the leaders and decision makers who serve or have served on the board or committees. They pay close attention to what the co-op does and what decisions are made. They take ownership responsibilities seriously. They usually vote in elections and regularly attend co-op functions.



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The best part about being conscious of meeting these members' needs is that it is a lot of fun! Photos of local farmers, kids' art exhibits, festive events, and so much more all are part of creating a store atmosphere that is personal and enjoyable. Provide these members with opportunities to be involved and to respond to issues they care about.

Find effective tools for measuring and communicating the difference that the co-op makes. This assessment and communication is important to satisfy social members' needs and to reinforce their involvement. Commitment to our community is demonstrated in many ways, but through member participation a cooperative can manifest a sense of belonging that

strengthens the co-op as well as the movement as a whole.

#### Engagement

Naturally, fewer members are found at the higher levels of involvement. I've identified two types of members who are engaged in the co-op. People in the category I call member owners are aware that the co-op's ownership It's our job to to invite member participation at all levels.

structure is different. They understand that their membership is ownership, and they pay attention to what the co-op does and the decisions it makes. Active owners, on the other hand, are those who will become involved in those decisions. They are people who will consider running for the board. They'll take the time to attend the annual meeting and read reports.

Both member owners and active owners are motivated by the philosophy and values of the cooperative. They care deeply about the co-op and want to share their opinions. Provide these people with clear and accessible information about what the co-op is doing, what it is thinking about, and how to give feedback. The co-op needs at least some people to be involved at a high level of engagement, people who not only see themselves as part of the community but who identify as a co-owner of a community business.

Co-ops need to find ways to provide recognition and tangible benefits for these leaders; they are critical to prudent and responsive decision making. At the same time, these decision makers need to remember that their perspective is not necessarily representative of the majority of members.

#### Goals of member involvement

The idea is not to push members along a predetermined continuum of involvement, but for cooperative leadership to understand, mindfully, that the essence of adequate member participation is seeing people engaged and satisfied with the co-op in ways they choose. We don't need to dream up more ways for people to contribute to their co-op. It is our job to invite member participation at all levels and to provide meaningful outlets for those who want to contribute more.

The following set of goals illustrates the desired outcomes of this approach:

• Each person has a high degree of satisfaction with his or her level of involvement.

• There is easy access for members and shoppers to change their level of involvement if they choose to.

- All levels of involvement are welcome and appreciated.
- Members have positive feelings about the co-op.

• The co-op has strong and empowered leadership. The board's job is not to empower members but to be servant leaders on behalf of a diverse group of members and customers.

While we may desire more member involvement, it would be nearly impossible to make decisions if all members were actively involved. Members elect the board of directors and empower them to make decisions on their behalf and in their best interest. The board and management of the cooperative must take steps to improve their knowledge of the needs and opinions of members and potential members in order to provide more satisfaction to members at all levels.

Directors can use this model of member needs to increase the board's understanding of different types of members. By imagining the variety of needs and motivations, you can "hear" perspectives that may not otherwise become audible. Remember that directors are the most involved members and do not represent all perspectives in the membership base,

especially around the issue of member participation. Directors are wise to think about the needs of other types of members before making decisions. Whatever the issue, it's critical to find a balanced perspective.

The board of directors is empowered to make decisions on behalf of all members and, with diligence, would prefer to know more about what all members need. However, the board cannot fall into inaction because we don't know and never will know what "all the members" want. We'll never have all the information we need. At the same time, take care not to assume that all members want or should want what directors want.

Develop co-op communication, activities, and opportunities that recognize this model of diversity. Individuals at different levels of involvement have different needs, interests, and motivations and require appropriate communication strategies. Accordingly, the cooperative must provide relevant information, meaningful opportunities, and valued activities for each level of participation. If the co-op actively asks the membership what it wants and gives them opportunities to participate at meaningful levels, then the co-op will hear from a much greater cross-section of its members.

What we intend to say to our members by valuing their participation is that "you belong here." This is part and parcel of the cooperative difference. Having members engaged at all levels is vital to the ongoing survival of any co-op—both as a co-op and as a business—and to success beyond our current generation.

# "Thanks for your great service, Bob."

## Retiring as manager of Hanover Co-op's store in Lebanon, New Hampshire.

Bob Hayes could *(and should)* write a book about how to make the leap from managing corporate chain stores to managing consumer cooperatives. Whether or not such a book ever gets written, we at the Hanover Consumer Cooperative Society have benefited greatly from the time Bob has spent with us. *He helped us make molehills out of mountains!* 





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