

feel for what the fields looked like and they did not know how to interpret all the study results.

We took three fairly simple steps that made them much more comfortable with the presentation. On one of the early slides, we drew circles and arrows around the picture of the wire to visually represent where the fields were in relation to the wire. Second, to help them with the study results, we added the statistics from the studies indicating the possibility that cancer rates could increase from one in 10,000 to two in 10,000.

Finally, we discovered that people wanted to talk about EMF after watching the video. In response to that, we decided to send an advisory with the program recommending to the co-op communicator that this is not a stand-alone program. Whenever it's shown, there should be someone on hand to answer questions, because it will raise questions.

HOW DO YOU MAKE SURE YOUR CO-OP IS TRUSTED?

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That's not as easy to do as it sounds, and that's where professional communicators can help. Their job is not to pull the wool over people's eyes nor to manipulate members into doing something they otherwise wouldn't believe in. Their job is to keep open the lines of communication so there can be genuine two-way discussion. Discussion that will let the members understand what is important to the co-op, and discussion that will let the co-op know what is important to the members.

Communicators are comfortable talking with your members as well as to the general public because they can rely on a lot of proven techniques that give them measurable results. It's their job. That's why you can rely on communicators to help you earn the trust of your cooperative.

THE BENEFITS OF AN INFORMED MEMBERSHIP

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Cooperative leaders at the National Institute on Cooperative Education have been discussing the need for member education ever since the first institute was held in Philadelphia in July 1925. At that conference, Charles H. Tuck, head of the educational department at Dairymen's League Cooperative, said in his presentation, "The future of the farmer cooperative in this country depends upon the attitude in the minds of the members. It is the members who will finally write failure or success; consequently, the members, first, must have full and accurate information about substantially all the work of their association."

I think these words hold true today. A key aspect of member education is giving members the information they need to make the best decisions concerning their cooperative.

What information about their cooperative is most useful to your members? What are the benefits to your cooperative of providing this

information? In this article I'd like to discuss these two questions.

Much of today's leading-edge management and organizational theory sounds as if it were written for cooperatives. Strong emphasis is placed on "getting closer to your customer." Leading management trainers talk about turning the organizational pyramid upside down and putting customers at the top. They stress shifting decision making from a top-down/vertical chain of command to a more autonomous/horizontal organizational structure. Many companies spend millions "empowering" employees and key players in the decision-making process.

All these trends are already built into the cooperative business structure. Although cooperatives could have a strategic advantage because of this, my observation is that few cooperatives have unlocked their full potential. A key to successful business performance is getting the right information into the hands of the right people. In a cooperative, this means management, employees, and directors, and especially members, must be kept informed about the cooperative's affairs.

WHY INFORM MEMBERS?

Some cooperatives give their members just enough selected information to keep these members subdued and "off their backs." The real weapons and ammo are kept

locked up and out of the hands of members.

These cooperatives believe that limiting access to information prevents the competition from getting this information. I would argue that the competition probably already knows more about the business than the cooperative might like to admit.

In other cooperatives, members are given access to information that can keep the management's and the board's feet to the fire. I don't mean to infer that members have free run of the cooperative's computer bank and access to the daily cash register receipts. However, these cooperatives do maintain a more open approach to providing information to members.

There is also a risk to this approach. Members may use these weapons and ammo to shoot themselves in the foot or, worse yet, fire back at the cooperative. However, I hope you will agree that the benefits of meeting member information needs outweigh the risks.

INFORMATION NEEDS OF MEMBERS

What is the "right" information that members need? In considering this question, it is useful to review the various roles members assume in a cooperative business. As we know, members are owners, users, and voters. Each role requires a different set of information to be successfully carried out.

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Cooperatives continually need to evaluate the benefits they provide to members, and they need to inform members about those benefits in a clear and understandable way.

Let's take a look at each role and its associated informational needs. Each individual cooperative and its members will have its own priorities and needs, but a general discussion should help stimulate your thinking.

MEMBERS AS OWNERS

The subject of member equity usually generates a certain amount of confusion in the minds of members and requires ongoing attention. When a cooperative changes its required levels of investment or changes the type of equity plan, members need to be updated on the cooperative's equity needs and on the individual member's required equity commitment. Members should appreciate the economic reasons for equity financing and the limited return on their investment over and beyond the fact that this is a "cooperative principle."

Members should be able to understand the value of their investment and its expected return. They should be told whether the assets of the cooperative are being invested in the best way possible and are generating the highest return. They should also be informed of the estimated need for future investments that will require additional member equity.

Providing member-owners with answers to these questions in an ongoing manner can help cushion



Every year the Cooperative Communicators Association hosts a contest for co-op communicators. Bob McEowen, Association of Missouri Electric Co-ops, a perennial winner in the photography contest, agonizes over his portfolio for the 1992 competition. The contest gives vital feedback to those who enter.

the shock of requests for increased levels of member equity. It can also help members better understand the value of assets they are investing in. For example, few cooperatives talk to members about their return on equity.

MEMBERS AS USERS

For a cooperative to succeed, its members have to patronize the business. That sounds like a rather basic premise, but there are all too many members who do not fully appreciate this economic fact.

Some members are happy to know the cooperative is out there, and they want it to be there in the future, but they don't do business with it. At times members need help in realizing the value of doing business with their cooperative.

Cooperatives should constantly look for ways to better present to its members how their use of the cooperative provides value to them. The value members receive changes over time as market conditions and the competitive environment also change. A cooperative's financial success can be masked by a depressed national economy.

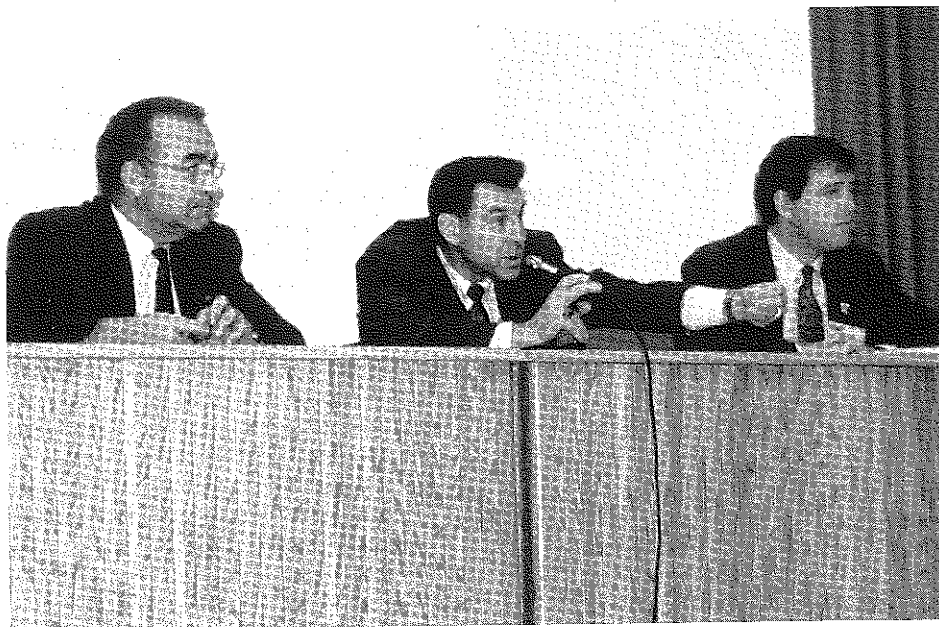
It is difficult to measure the costs of losing a cooperative if not enough members patronize the business. What would be the cost to members if the cooperative did not exist?

Some members measure cooperative performance against their own personal expectations, and their expectations can be unrealistic. Therefore, cooperatives continually need to evaluate the benefits they provide to members, and they need to inform members about those benefits in a clear and understandable way.

MEMBERS AS VOTERS

In any democratic institution, the decision makers make the best choices when they are well informed. Cooperative members have more opportunities than they realize to vote on issues that are critical to the success of the cooperative.

An ill-informed membership tends to misunderstand cooperative decisions or direction. With a limited knowledge of cooperative affairs, members may invent their own interpretation of events.



Keeping members informed of the association's activities is vital to a cooperative. Pictured here, from left: Michigan Milk Producers Association President Elwood Kirkpatrick, MMPA General Manager Walt Wosje, and guest speaker, Bill Oemichen at the annual MMPA Leaders' Conference.

One key decision made by members is to determine who will serve on the board of directors. Cooperatives have a chance to ensure that the best candidates are elected to serve on the board if they provide members with information on the performance of both the incumbent directors and the prospective candidates. How well have incumbents served on the board? What are the qualifications of prospective candidates?

These can be sensitive issues. However, cooperatives must do a better job of assisting members to make the best choice when they vote for directors and on other issues as well.

COSTS OF ILL-INFORMED MEMBERS

When members are not given complete, coherent, and consistent information, they can lose a clear perspective on cooperative decisions and can become skeptical or confused. If members lack confidence or trust in their cooperative, this lack undermines the organizational climate, and the credibility of management and the board can be threatened.

An ill-informed membership tends to misunderstand cooperative decisions or direction. With a limited knowledge of cooperative affairs, members may invent their

own interpretation of events. This can result in more confusion. As a result, management or the board may adopt a defensive posture. This may further limit access to information, which compounds the problem.

Once member trust and confidence is lost, it is not easily recovered. Management studies increasingly indicate that an essential element of successful organizations is the ability to define and convey a clear vision and direction for all stakeholders.

BENEFITS OF AN INFORMED MEMBERSHIP

The benefits of an informed membership are many. Enlightened members gain a better appreciation of what their cooperative does for them. Informed owners better understand their investment in the business and develop a realistic expectation for returns on that investment. Knowledgeable voters tend to select the best candidates available and elect the best directors possible. Members who are able to follow a discussion on the need for new policies are in a better position to support those policies when they are implemented.

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It is difficult to overestimate the value of the goodwill members have when they know what is going on in their cooperative and know what to expect, whether it is good news or bad. A reservoir of member goodwill can carry a cooperative through difficult economic times and can assist the organization in achieving long-term success.

SUMMARY

An essential element of member education in today's cooperative is to provide members with the information they need to effectively assume their roles as owners, users, and voters. Members have an ongoing need for up-to-date information from their cooperatives to support each of these roles. The payoff for providing members with clear, understandable information is an organizational environment that is conducive to making decisions that result in long-term benefits for both members and their cooperatives.