

DRAFT
GUIDANCE PAPER
MEMBERSHIP DEVELOPMENT

Introduction

The key asset for a Business Membership Organisation (BMO) is, of course, its members – whether they are individual private sector enterprises, sectoral or trade associations, or parastatal enterprises. Not only are members necessary to provide the financial resources for the BMO to operate but they also ensure the BMO has status as the most representative organisation for the business / employer sector in bipartite and tripartite forums at national and international levels. To reinforce this status, the tripartite constituents of the International Labour Organisation (ILO) have set out two requirements for both worker and employer representative organisations: Convention No 87 (1948) on Freedom of Association stipulates that membership of each such organisation must be voluntary and each must be able to act independently, subject only to the organisation’s constitution and the general law of the land.

The requirement to be an organisation of *voluntary* members places an onus on the BMO not only to add value to the enterprises or associations that it needs as members, but also to continually demonstrate to those members that the value it provides justifies continued membership. Thus, the two aspects of membership development – attraction of new members and retention of existing members – are areas on which a BMO must continually focus. A declining or static membership will not only place the BMO at risk of not being able to remain viable, it will also mean a diminution of the voice of business as governments and other stakeholders seek out what they perceive to be more representative organisations to consult on and involve in matters of importance to the business community.

Some BMOs focus on membership attraction and retention only when the numbers of members start noticeably falling. Ad hoc attempts to attract new members – often by way of a costly one-off “campaign” – tend to be unsuccessful in the longer term. What is needed is to have membership development at the very forefront of all BMO initiatives. From development of services, to lobbying activities, to being embedded in the organisation’s strategic plan, the interests of members and the need to add value to ensure they are sustainable, is the paramount focus of all BMOs.

Membership is a complex issue which needs a holistic approach incorporating a comprehensive strategy, planning and dedicated support tools. Continually updated information on membership numbers, categories, use of services, engagement,

renewals, resignations and reinstatements is vital for membership development. Without such information – known to all staff of the BMO – membership growth and retention will not be able to be managed thus leading eventually to the BMO’s demise.

No two countries are the same and no one size fits all in terms of membership development or any other matter. Regardless of the country, however, there are basic principles that can be widely applied which this Guide sets out.

There are three key elements to membership development – the need for the BMO to:

- identify what is being offered to members
- know the current membership situation
- understand the membership cycle

Identify what is being offered

Defining the BMO’s Value Proposition

A value proposition is an indispensable tool in gaining and keeping members. Developing one is the first step a BMO must take as it starts its comprehensive membership development approach. It encapsulates the reasons why a prospective member should join a BMO - a collection of the most persuasive reasons why enterprises should notice the organisation and take the action asked for; that is, to become a member. It is a clear series of statements that explains why and how membership of a BMO solves the members’ problems or improves their situation (relevancy), delivers specific benefits (quantified value), and tells the potential member why they would not get the same outcome from other service providers or business representative groups that the BMO provides (unique differentiation). It must be complete so a potential member can read it and understand the delivered value without further explanation.

The value proposition is different from a BMO’s mission statement or vision. Those position the organisation without going into the detail of what value the BMO can specifically offer to potential members. Rather than being in the governance documentation such as the constitution, by-laws or Articles of Association, the value proposition is more a marketing tool that should be on the first page of a BMO’s website so that those visiting it know exactly what they can expect to receive if they become a member and in promotional material used to recruit and also retain members who may need reminding of the value the BMO provides. The important elements are clarity (it is easy to understand), it communicates concrete results a member will get if using the BMO’s service, and it points out how it is different from other service providers / lobbyists.

An example of a value proposition developed by the Canterbury Employers' Chamber of Commerce (CECC)¹, formed by a merger of the regional employers' association and local chamber of commerce, and a full member of Business New Zealand is as follows:

Owning and managing a business can be challenging at times. CECC aims to help businesses succeed and prosper in today's environment. Membership means you're not alone.

Get the right advice:

Our team of experts are here to help. Members get free advice and discounted consultancy across a wide range of expertise, as well as access to free online resources, quick guides and templates. [Learn more](#)

Connect with the right people:

Our events, including free monthly networking events, are an easy way to meet like-minded people, broaden your networks and generate sales referrals. Our well-connected team can also help with introductions. [Learn more](#)

Upskill yourself and your team:

Our training and events are a great way to develop new skills and capabilities. Heavily discounted for members, we offer training courses, or can come to you to deliver tailored on-site training. [Learn more](#)

Keep up to date:

We pride ourselves on knowing what's happening in our region and economy. Members can attend a wide range of events, including our free quarterly Critical Issues updates, and receive regular e-newsletters to ensure they're kept up to date.

Have your voice heard:

We advocate on behalf of businesses locally (and nationally through our membership of Business New Zealand and the New Zealand Chambers of Commerce) to ensure the business voice is heard in important decision-making. We've had many wins for businesses - [email us](#) if you've got a specific issue or give us a call on 0800 800 800.

Reap the savings:

Our Member Savings Programme means members can save thousands on the bottom line. [Learn more](#)

Membership equates to inclusion in a club

As well as setting out specific services and the value from them that can be expected to accrue to the member, the theme running through the example above is that of *membership* – the notion of belonging to a select group who need the same level of support in dealing with common issues.

¹ www.cecc.org.nz

From the statement in the preamble, *Membership means you're not alone*, the scene is set to entice enterprises to become part of an organisation of like-minded people facing similar challenges and being given the opportunity not only to have access to BMO staff members with expertise by virtue of their dealing with the same problems across a number of different enterprises and industries, but also to interact with other business owners and managers. This “club” feeling that the BMO offers is a unique point of difference from other service providers such as lawyers, accountants and human resource management firms where once the advice is given or the service is provided and the bill paid, no on-going relationship exists.

It is this aspect of the value proposition that is so important in supporting the BMO’s lobbying role. Individual enterprises – busy with their day-to-day activities – would not usually think to become involved in broader economic or social policy issues. They are of the view that decision-makers would not be interested in their particular problems or indeed on their ideas for improvement of legislation based on their practical experience of having to implement it. As part of a club, however, this outlook changes completely.

It is human nature that once the decision has been made to become a member of any type of club, loyalty to it and by extension to other members of that club, is normal. This “club” sentiment therefore needs to be reinforced by the BMO. Members need to be told constantly that their opinions matter, that the club cannot function effectively without their input and engagement, that on certain issues such as a government proposal to increase the corporate rate of taxation, for example, that it is essential that the club members act as a unified and committed group, led by the BMO.

Know the current membership situation

Customer Relationship Management

It is a well-known adage that if something is not measured, it cannot be managed. Therefore, the next phase of a strategic membership development approach, means it is essential to have a good understanding of what the situation is regarding current membership. The ILO’s International Training Centre’s Programme for Employers’ Activities (ACT/EMP Turin) has developed a membership database software package for use by national, sectoral or territorial BMOs. The database has five integrated modules:

- *Membership module*: all data related to member companies and potential members can be stored.
- *Activities module*: all services (including services for individual companies or group activities such as training) provided to a member can be detailed.

- *Billing module*: payment of membership fees can be monitored enabling automated billing of membership fees and setting automatic reminders for membership renewals.
- *Marketing / Communications module*: enables emails to be sent to selected groups of companies/contacts targeting marketing material to members and non-members (useful for lobbying, surveys, communications, services, invitations, promotion to segmented targets, and membership recruitment and retention campaigns).
- *Report module*: automating the creation of reports with relevant information about members' features and interactions with the BMO.

The effectiveness of such a database is highly dependent on its active use by all BMO staff members from the CEO to the receptionist. Rather than merely listing the name of the company and generalised contact details, such a database allows for the names and direct telephone and email contact details of everyone at the member company that a BMO staff member may have dealings with. The receptionist, the CEO, the CEO's personal assistant or secretary, the accounts manager, specific people within the human resources department, occupational safety and health, training, marketing, communications and legal personal etc all need to be listed and – most importantly – kept up to date.

Then *every* interaction that takes place between a member company representative and a BMO staff member *must* be recorded in the system such as the company's HR manager's secretary phoning the BMO's receptionist to ask that a copy of an Employment Court decision, not yet on the website, be sent, the member's payroll clerk sending an email to the BMO's legal officer requesting advice on the application of holiday pay, the company CEO speaking to the BMO CEO at an evening function about company concerns regarding a potential change in customs and excise law. Also on that list must be the names and contact details of any person from within the member company who attended any training course or briefing session or networking event. Whether a member contributed to policy development by attending focus group discussions or provided comment on a proposed position paper, must also be recorded.

Such a full membership profile is vital for personalised communications and segmented marketing campaigns for particular services the BMO may be about to offer thus raising the visibility of the BMO among a wide number of member employees. It also enables a better sharing of information amongst BMO colleagues about the company and what sort of issues they may have been confronted with in the past. A BMO advisory officer advising a company HR manager about a disciplinary matter that has arisen, can, with the database open while the discussion is taking place, ask follow-up questions about a health and safety incident that was raised with another staff member of the BMO some weeks previously. Or an update on the policy that the member was interested in can be

provided. Such a personalised approach reinforces the value proposition that the member is known, valued, and is part of the club that the BMO is there to care for.

At the end of each year of membership, a report of all contacts between the member and the BMO is generated by the CRM system. This report is invaluable at membership renewal time. It presents to members who have had high contact rates with the BMO as a value-for-money proposition. It can show a CEO doubting the value of renewing membership the number of times staff members interacted with the BMO or raised their skill levels by attending training sessions. Conversely, it enables a BMO to identify which members have not contacted the BMO, used any of its services or engaged in any policy development so that follow-up actions can be taken.

As well as listing the details of member company personnel, the database can also be used to identify the industry or sector the member operates in, its regional / geographical coverage, number of employees, whether it is export oriented (and of so to which markets), or focuses on the domestic market only, particular areas of policy interest and, indeed, anything else that the BMO's Board considers would be useful in gaining a thorough understanding of the membership profile.

Understand the Membership Cycle

There are five components to the membership cycle:

- awareness
- recruitment
- engagement
- renewal
- reinstatement.

A BMO must analyse how it deals with each of these elements to ascertain current practices, identify gaps and determine the best way forward for a strategic membership development approach.

Awareness

It is of course trite to say that no-one can join an organisation if they don't know it exists. However, some BMOs assume that because they have been in existence for some years, they are well known throughout the business – and indeed the wider – community. This assumption is perhaps stronger amongst those BMOs which operated at a time when industrial relations were adversarial and centralised so that reports of national employers' organisations and national trade unions dealing with the latest industrial confrontation were almost daily occurrences. With national, industry-based collective agreement negotiations being replaced in many countries by enterprise bargaining and a more collaborative human resource management focus being the norm rather than

combative “industrial” relations, and strike action in the private sector being very much the exception, new businesses and younger people may have no reason to be aware of what the BMO’s mandate is or what it does.

Similarly, a BMO may well be out of touch with what new “soft” industries such as IT, communications, and retail need and what younger professionals and entrepreneurs want from a membership organisation. A study carried out in 2016 by Abila – a US-based provider of software and services to associations, non-profit organisations and government entities - found that when it came to communicating value to potential members, organisations put too much emphasis on meetings, conferences and advocacy. Too little emphasis was put on professional and personal development, networking, industry information and codes of ethics, based on what members said they were looking for in a membership organisation.

The aim of awareness-raising is therefore two-fold: to ensure potential members are aware of the BMO and what it does and for the BMO to be aware of the changing needs of members and potential members.

As well as awareness being raised as a by-product of campaigns to attract current non-members (which will be discussed under the recruitment heading), a highly effective way of drawing attention to the BMO and increasing knowledge of its mandate and services is for it to provide an opinion piece, generalised comment on a topical point of business interest, a discussion on the wider implications of a legal ruling or areas of training that it is about to carry out as a standard weekly or fortnightly feature in the business pages of a newspaper, radio or television programme or on the website of news outlets. BMOs which do this as an integral part of their on-going communication strategy find that not only does their profile become clearer and more ingrained in the minds of potential members so that there is a higher recognition factor, but also the media – knowing the range of the BMO’s expertise – will seek comment from it to include in their reported articles.

Recruitment

Representative / market penetration analysis

An initial step to be able to determine where recruitment, should focus, is for the BMO to carry out a representative or market penetration analysis. This is done by selecting a sector or industry, ascertaining from publicly available data the number of companies registered as operating in that sector or industry and then extracting from the BMO’s CRM or similar membership database how many of those enterprises are members of the BMO. The analysis can also be done based on enterprise size or by region as the examples below from the Irish Business and Employers Confederation (IBEC)² demonstrate.

Employment bands	Total %	Number	IBEC %	Member numbers	Adoption rate
------------------	---------	--------	--------	----------------	---------------

² www.ibec.ie

1-10 emp/ees	83%	127,210	29%	1,757	1.4%
10 - 99	15%	23,666	56%	3,385	14.3%
100 - 500	1%	1,557	12%	686	44%
Over 500	1	389	3%	170	44%

		IBEC membership	Adoption rates by region
Dublin	51,852	4,538	8.7%
South East	15,025	230	1.5%
Cork	13,782	295	2.1%
Mid-West	11,535	376	3.2%
Western	10,333	235	2.3%
North West	5,950	198	3.3%

Although it might seem easier and more cost effective to target large companies as members - justified by their being the strategically most significant - to be the “most representative” business membership organisation and thus successful in lobbying, it is important to have as broad a base as possible in terms of both size of members and geographic reach. Medium-sized enterprises having between 20 and 100 employees tend to be most open to becoming members as they have greatest need of the practical assistance a BMO offers. They are often too small to have full-time HR, IR, training, OSH etc specialists employed but too big for the owner or manager to be able to deal with all such matters him/herself. Having access to immediate advice as issues arise is a major incentive for this size-range of enterprises to become members.

By far the most predominant, though, are micro and small enterprises with 1 – 10 employees. Given their number and the fact that they provide high levels of employment, BMOs should engage in recruiting as many of them as possible. Different considerations apply, however, as often their membership fees cannot cover the special efforts that need to be made to recruit and service these members, but setting the minimum membership fee too high would discourage them from joining altogether. Although SMEs are not a uniform community but a very diverse group with differing interests and problems, it is important for the BMO to identify common issues of special relevance to SMEs such as tax, management training and recruitment support. Providing SMEs with the possibility of voicing their concerns with the BMO, having representatives sit on the Board and relevant committees and by ensuring SME focus groups are established to support BMO advocacy initiatives are all positive recruitment tools with the consequent SME membership base being crucial to support wide BMO representativeness.

Another way of determining BMO representativeness is undertaking a mapping exercise (particularly useful where there are a number of enterprises in close physical proximity which means many can be visited in a single exercise) such as used by the Zambia Federation of Employers (ZFE)³. Once non-member companies are identified, written invitation letters are issued to potential members after which door to door follow ups are made. ZFE conducted such mapping exercises in which potential members were identified in the cities of Lusaka, Ndola and Kitwe.

Through the results of the representativeness analysis, the BMO will need to develop different strategies to address its strengths and counter its weaknesses. For each of the categories, the BMO will need to work on identifying specific target companies.

Areas of strong membership

In these areas the BMO already has a considerable membership base. The target companies are similar to existing members.

There are three likely reasons why companies in this category are not already members of the BMO:

- They do not have a clear enough idea of the BMO and its role and activities;
- They know about the BMO, but choose to benefit from its actions without paying membership fees (in other words, they are free riders);
- They know about the BMO and have a principled reason for not wishing to associate with it.

The recruitment campaign should focus on the first two groups. By splitting the targets between those with insufficient information and the free riders, the BMO can develop its campaign strategy further.

For those employers who do not have a clear idea of what the BMO does, the simple answer is to provide them with information. In doing so the BMO should consider the following:

- Who is responsible and who will likely influence the decision to join the BMO;
- Through the use of existing contacts, find out if there is a principled reason for these employers not joining the BMO which explains why the companies/organizations are not members;
- Arrange face-to-face meetings with key contacts in the non-member companies including peers (often the President or other Board member) from the BMO's membership;

³ www.zfe.co.zm

- Use the BMO's point-by-point value proposition for "selling" membership.

If the company is a true free rider that has considered all the issues and decided to save money, another set of prepared arguments should be used:

- Explain to decision-makers what the company is losing in terms of information and influence by not being involved in the BMO's policy-making activities. This may include describing what the companies' key competitors gain by being involved.
- Point out that the company is benefiting from advocacy without contributing to the costs. It is best that a well-respected paying member of the BMO bring this to the attention of the company, as people will likely to continue to be free riders until someone they respect points this out.

Areas of weak membership

In this area the BMO will face a different group of companies. There may be large areas where the BMO has few members and a consequent lack of success stories. However, it is important that the BMO recruit the maximum number of members in as many diverse areas as possible, particularly at the low end of the subscription matrix – that is, small and medium sized enterprises. These will need to be persuaded of the real benefits of signing up compared with the membership costs.

A workable strategy is to divide the group into related categories: SMEs, sub-sector companies, family-run businesses and companies with little or no union membership. Although difficult, there are ways for the BMO to succeed: the BMO might focus on special issues of concern to the group; review membership fees for the smallest of companies; offer new forms of membership that limit unwanted obligations on companies and develop specific programmes or projects that attract a specific membership group (such as SMEs).

Recruitment Campaigns

Recruitment campaigns can take whatever form the BMO's Board and staff consider appropriate and effective – depending, of course, on financial and human resources available.

Examples of recruitment campaigns adopted by BMOs include:

- Company visits by BMO staff
- Colleague-to-colleague visits
- Meetings with sectoral / trade associations to have them encourage their members to join the BMO
- Road shows
- Information events

- Letters / Phone calls / Emails
- Advertisements on local / national radio, television and/or print media
- Use of social media
- Visits to local business development agencies
- Visits to community agencies which advise on legal / relationship problems (citizen advice bureaux etc)
- Invitation of non-member to CEO networking function

Experience across a large number of organisations shows that “unsolicited” emails and letters are the least likely to achieve results, followed by general advertising promoting the value of joining a BMO. The personal approach, whether by unannounced door-to-door visits or scheduled meetings with companies, almost always gets the best outcome. Company leaders usually welcome a visit where they are given the opportunity to present the company as well as to listen to the BMO’s information about the mission, objectives, value proposition and general activities.

Another effective means of recruitment using the personal approach is to have existing members act as ambassadors, asking them to send relevant information provided by the BMO to non-members and providing incentives such as giving an existing member a fee discount for introducing a new member. ZFE makes use of this approach in the following way:

We are pleased to present our special edition newsletter covering some of our recent activities. We trust this will provide some insight into the work that the Federation does on your behalf. Kindly also forward it to non-members who may be interested. To access the newsletter please click here: <http://www.zfe.co.zm>

The work of an employers’ organization is like an iceberg: you only see its tip above water. As much as we report in our periodical newsletters and our annual report, there is so much we cannot publicize in order to protect the confidentiality of the member’s issue. We therefore rely on you, our members who have been directly or indirectly assisted by the Federation, to spread the word in your networks. And if the contact person is leaving the member employer, please remember to pass the baton on to your successor.

Regardless of the method chosen, it is essential to have a clear membership brochure to leave with a potential member, association or agency as well as having an informative and up-to-date website which can be referred to in the campaign.

Membership Brochure

A printed membership brochure setting out what the BMO is, what it does and how it can add value to a member’s operations is a vital tool in recruitment. It needs to encompass all the information needed by a potential member to make a decision to join.

It must also be aligned with the BMO's website (and other social media presence) so that more detailed information such as the constitution, current training programme etc can be easily accessed. It serves as a reminder to ensure that the website is continually up-dated to complement the items set out in the brochure.

A membership brochure should include the following points:

- Full name of BMO
- Mission and vision statements
- Short overview of history – when established and for what reason
- Value proposition
- Expansion on what it does including examples of training courses, advisory services, collective bargaining and dispute representation, networking opportunities, publications, advocacy
- Achievements
- Where to find further information
- How to join
- Contact details

Recruitment of new members should be an on-going, integral function of all BMO staff and Board members. The membership brochure is not something that is limited to use in a recruitment campaign; copies should always be carried by staff and Board members to give to non-members who exhibit interest in the BMO to encourage them to join.

Engagement

Even more important than recruitment of new members, is retention of existing members. For BMOs, members are their reason for being, so getting and keeping members truly engaged in the organisation is critical for survival. The decision whether to continue with membership depends on how engaged the member feels with the BMO. Therefore, it is essential that engagement starts immediately a new member joins and continues (and is regularly monitored) throughout the term of membership.

New Members

New members should be personally acknowledged and welcomed by the BMO's CEO within three to five working days of joining. Many BMOs have special events for new members – for example, a quarterly New Members' Get-together designed to welcome all new members to the BMO, introduce them to board members and staff while also providing an opportunity to socialise with other new members. Other BMOs offer one training course or full consultancy free as an introductory offer. A letter or email welcoming the new member and setting out these opportunities for initial engagement is an important first step. The letter might also ask for details of various employees who might expect to interact with the BMO. The more information that is collected to put into the CRM or other database system at the earliest stage possible, the more two-way communication and engagement can be fostered. Follow-up is necessary to set the scene

as to how the BMO intends to treat the relationship. Rather than just advising of the date of the next new members' get-together, a telephone call should be made to take registration details. And ensuring that the offer of a free training course is acted on is also important to build engagement.

The Singapore National Employers' Federation (SNEF)⁴ lists all members who have joined the preceding month on the front page of their website. This not only shows the importance SNEF attaches to the new members but it also allows all staff as well as other members to know who has joined so that they might reach out to them.

Communication versus Engagement

Of course, communications with members are essential but it is important that BMOs do not resort to just a one-way flow of information. The term "engagement" is often used when referring to how an individual is engaging online – in terms of website visits, page views, email opens, social media mentions, "likes" or "follows." But while building a robust online community is increasingly important, that is only part of the engagement equation for membership organisations. By consistently keeping members engaged, a BMO will not only attract and keep more members but will also have leverage to push through legislative wins, the ability to promote its advocacy agenda, and an increase in event attendance and other types of revenue-raising initiatives. Despite its importance, member engagement is a fairly elusive concept. Part of the reason that member engagement is such a challenge is that there is no clear-cut process.

The key difference that distinguishes communication from engagement is **action**. That is, in response to a BMO outreach, the member actually does something.

For most BMOs, their website is their primary identity online. This is where members go for information and insight; where they can participate in the BMO's online community; register for events; manage their membership profile and even their yearly renewal. This is where the BMO can build the relationship and encourage action with every website visit and as often as possible, to ensure tangible member value is being provided. Proactive website management is thus essential to move the focus from one-way communication to engagement.

The key goal for any membership website is to get members to the site and keep them coming back for more. This means offering the right content – **fresh, up-to-date, targeted to the audience and easy to find** – to keep them engaged and to ensure they experience membership value.

Many small BMOs rely on volunteers or staff with limited digital skills to update content on their website. This means that it is necessary to have a user-friendly platform or

⁴ www.snef.org.sg

content management tool to make their job easier. Otherwise, fresh content may be put on hold while waiting for a “techie” volunteer or an outside service provider to upload the content to the site so what starts out as fresh content ends up stale by the time members see it on the website.

If website content is being created by a number of volunteers, board members and/or staff, an option to consider is using cloud technology so that they can all create and share documents online. If the ILO’s CRM system is used that offers easy-to-use content management, a number of content providers can have administrative access to upload content to ensure it remains fresh. For example, one person could have responsibility for managing the members’ forum, another could write a weekly blog, the Chair of an event could post event details etc. This way, you can offer up-to-date web content on a regular basis, without having to be “held hostage” by a web developer, waiting for an external provider or a busy volunteer to post the content to your site.

As well as keeping content updated, it is important to also alert members to fresh or new content through other channels such as:

- Regular updates in a newsletter: include a regular section and/or news article with live links to the new web material.
- Any publications created and/or sent to members: at the bottom of any member updates and all outgoing emails include the link to the blog, members’ forum or other news page.
- In face-to-face meetings: have the Chair of the Board and any meeting Chairs alert assembled members of new blog posts, articles, etc. that might be pertinent to the meeting.
- Via social media: social networks, are also effective ways to keep members informed of new content, alerting followers when a new article and/or blog has been added by Tweeting, and posting on Facebook, LinkedIn and Google+ etc.

Ensuring members can easily find what they want on the website is also critical for effective engagement. In the value proposition example set out earlier, each heading has a *Learn More* link through to other pages of the website where more detailed information is available. For example, under the “Get the Right Advice” heading the learn more tab goes to pages with frequently asked questions, guides to legislation, templates for individual contracts etc. “Upskill Yourself and Your Team” leads to training courses complete with on-line registration availability.

Targeting Members by Segmentation

Members will not be engaged if the services the BMO offers are not what they want from a membership organisation. It is therefore necessary to segment the membership so that different services can be correctly targeted.

Examples of segmentation and the types of services that could appeal to that group, are:

Younger professionals and entrepreneurs. As described earlier, studies have found that this group is more interested in professional and personal development and networking. Personal development topics can include essential leadership skills, time management, effective presentation, report writing, communication and presentation skills, while professional development courses could cover Facebook for business and email marketing as well as more traditional human resource management issues. Of growing interest are courses which provide an officially recognised diploma or certificate in conjunction with a reputable training institute. The Employers' Consultative Association of Trinidad and Tobago (ECATT)⁵ has established two webinar training courses in collaboration with Knowledge Works, the authorised Caribbean Distributor of Harvard Business Publishing which enables new and aspiring managers to develop their management skills, confidence and effectiveness while performing their jobs with training that is integrated into their day-to-day workflow – a Certificate in Industrial Relations Management, and a Certificate or Diploma in Labour Laws of Trinidad and Tobago. The Malaysian Employers' Federation (MEF)⁶ has a similar link with the Open University of Malaysia in offering an Executive Degree or an Executive Diploma in Human Resource Management and Industrial Relations.

Although networking activities are likely to appeal to a wider group, this segment of members is especially interested in making professional contacts to assist them in their business (and personal) development in a more interactive way. CECC has developed activities and descriptions of them, targeting this group:

- **Speed Networking** -A fun and effective way to focus your networking efforts and make new contacts. Just like speed dating, each pair has 5 minutes to talk to each other (2.5 minutes each) before moving on to the next person.
- **Inspire & Connect** Come along and be inspired by the success stories of local and national businesses. Hear from a range of people who are doing amazing things in different ways at these Q&A style events.
- **Ten in Two** Can you 'sell' your business in two minutes?! Ten in Two events involve quickfire presentations from members - ten slides in two minutes (12.5 seconds per slide). The best presentation on the night wins - come to network only, or [register](#) your interest to present or find out more. Presenters are randomly selected approximately 3 weeks prior to each event. [Click here](#) for more information on presenting.
- **New in Town** Our New in Town networking events celebrate the new, trendy venues in our city. They're a great opportunity to create business contacts and generate leads in an exciting, vibrant part of our city.
- **Networking with a Twist** Our Networking with a Twist gives a whole new dimension to networking! Join us at Harrington's Brewery for your chance to check out their great range of beers and ciders, take a brewery tour and of course loads of time to network! Bring plenty of

⁵ www.ecatt.org

⁶ www.mef.org.my

business cards and be prepared to talk about the thing you know most about - your business! Complimentary drink on arrival, along with beer tasting and nibbles provided. Non-alcoholic drinks and wine will also be available.

Each networking event has it clearly specified that they are exclusive to CECC members only and free to attend. There is also a link for on-line registration and a recognition of any sponsor.

SME Owners / Managers and Team Leaders / Supervisors. The key factor for this group is practicality. They do not want to focus solely on the theory of productivity, they want practical solutions to barriers impeding it such as managing absenteeism. Services need to be designed to assist them in their everyday work and also cover the whole range of topics they can expect to confront from managing staff performance, ensuring they have a disaster preparedness plan, keeping up-to-date with health and safety regulations, building code regulations and taxation changes, to using technology effectively. Again, services are only limited by the imagination of staff and members identifying opportunities for engagement. Of course, no BMO can expect to have staff members capable of delivering all the services members need. Collaboration with external providers is thus essential. Often there is no payment required as the company or person contracted to the BMO with obtain follow-up work directly from the members taking part. An example of effective collaboration is the service offered by CECC in conjunction with a technology company that has developed an assessment tool for use by SMEs. It is a free, members-only event held from 4.30 – 6pm to ensure managers / owners of SMEs can attend.

Digital Journey - Free Digital Assessment

Complete a free digital assessment of your business.

Join us for a live walk-through of the Digital Journey assessment tool. A chance to assess how your business uses digital services and technology. We will assess your website, online advertising, social media, cloud services, cybersecurity, and much more through the interactive assessment tool.

Every business which completes the assessment will receive a report showing how their digital use stacks up against competitors, to see if you're keeping up 'digitally' with other businesses. Plus a customised digital Action Plan for your business listing the steps you need to consider to make changes. A fun and interactive session delivered in plain English – no tech jargon!

Digital Journey staff will also be on-hand to provide independent advice and guidance and answer any pressing digital questions.

All participants to bring along a laptop, smartphone, or tablet to complete the assessment.

Over 7000 businesses across NZ have completed this assessment now it's your turn to check how you are using digital technology.

Large Enterprises. Although various staff members of large companies are likely to make good use of training courses offered by a BMO, because they have specialist employees in finance, marketing, communications, human resource management, legal,

health and safety etc, their focus will be different. Of greatest value to heads of department and to CEOs is the opportunity to network with their peers to discuss policy issues and trends that could have an impact on their business and to be able to influence national outcomes. The value that the BMO can add is to arrange opportunities for CEOs or HR managers to come together to discuss such matters or to hear directly from policy makers and politicians what is being developed.

Business New Zealand (BNZ)⁷ has developed a number of specialised councils and groupings of large enterprise membership to fulfil this purpose.

Business New Zealand's Value-Added Proposition to Engage Large Companies

BNZ is a national advocacy organisation whose direct membership comprises four regional business membership organisations which provide a range of services to their individual enterprise members. To enhance its representivity and to assist its regional members to add value to large organisations BNZ has developed the following:

Major Companies Group – Companies with a turnover of NZD80 million+ are invited to join. The 84 members receive specialised independent policy advice, opportunities to contribute to research and develop policy and to engage in influencing the political and regulatory business framework, regulatory updates, national and regional representation, and access to specialised policy forums, including Ministers and Member of Parliament. Three CEO Forums, two breakfasts and two half-day sessions are held each year strictly for CEOs only (ie no deputies) to discuss matters ranging from international trade, infrastructure, energy and electricity, regional development, diversity, environment, sustainability, skills training, immigration, employment relations etc. Smaller private dinners (15 CEOs) with political and regional leaders are held seven times a year, invitations to meet with trade delegations, briefings with Treasury and other key agencies, pre-election conferences and an annual dinner with the Prime Minister and his full caucus are all opportunities for advocacy devolvement and member engagement. The cost is between \$25,000 - \$30,000 per year which, through a fee diversion arrangement, also gives membership of the regional BMO where the company's operations are based.

Gold Group: By invitation for companies with a turnover of \$30million+. The benefits are similar to the MCG members except for the CEO forums and dinners. The fees range between \$18,000 – \$20,000 with the same arrangements for being a full member of the regional BMO.

Sustainable Business Council: This group, comprising some 90 members with a collective turnover of NZD72billion or 29% of NZ's GDP, aims to mainstream sustainable business practices within the business community. It does this by sharing and showcasing exemplar practices, identifying benchmarks for companies to compare themselves against, contributing knowledge and experience into policy development relevant to sustainable development, providing a sustainable business viewpoint in key conversations, and being a change agent through inspiring and mad driving mainstream change. To join, members must share a commitment to the balanced pursuit of economic growth, ecological integrity and social progress. Concretely, they must produce a sustainable development report, measure and report to the SBC on that member's carbon footprint and measures to reduce it within two years of

⁷ www.businessnz.org.nz

becoming a member and report to the SCB on a process for procuring sustainability within three years. Fees are \$15,000 each year or \$12,500 if a member of the MCG.

Business Energy Council: This Council is a group of NZ's peak energy sector organisations taking a lead role in creating a sustainable energy future. Its networking activities stimulate dialogue, promote the exchange of ideas, aids development of new business partners and investment opportunities and provides valuable collaboration and information sharing across the energy sector. As well, the Council undertakes research - developing energy targets for 2030 and 2050. Members pay a fee ranging from \$150 for individuals to \$5,000pa for non-BNZ members.

Buy NZ made: This group promotes and brands products and services that have been made or grown in NZ, through the use of the Kiwi trademark that was launched in 1988 and which has an 87% recognition factor within NZ. It sets the requirements for registration, issues licences, operates a database of products and licensees, facilitates marketing initiatives and handles complaints about alleged breaches by using the trademark on a non-NZ made product of by someone who is not a licensee. Manufacturing and product licences depend on the number of employees in an enterprise to a maximum of \$5,000 pa.

Export NZ: In 2008, Export NZ became a division of BNZ to strengthen the services it offers to exporters – including national and international representation, advocacy for policies that encourage export growth and advice on intellectual property, foreign exchange, tariff calculation, insurance, logistics and shipping, market research, cultural awareness and country information. There are no separate joining fees but members pay to attend events.

Affiliated Industries Group: This group is made up of 60 national industry associations which meet regularly to share information and strategy directions on issues common to business in NZ. Because of the tens of thousands of enterprises which are members of the various industry associations, such an affiliated group bolsters BNZ's representivity in advocacy. Each industry association pays \$3,000 pa.

Enabling Engagement and Content Promotion Through Online Communities

Promoting two-way communication opportunities means opening channels so members can also communicate with your administration and leadership. This can be done through:

- Online **forums** where members can post comments and provide opinions on issues currently being debated by the BMO with replies from BMO staff as well as other members adding to the dialogue
- A regular **blog** by the CEO on topics of interest with the ability for members to comment on the posts.
- Online **surveys** conducted to elicit member input or posing mini surveys or questions on the website or Facebook page to get conversations started. Once two-way conversations take place, it is important to respond to and promote (and

amortise) feedback and comments by noting these in blog posts, twitter and in your newsletter as well.

- **Social media** by encouraging communication via Twitter or Facebook by asking questions and listening to members' comments, posting mini surveys on Facebook etc.
- Using **networks** such as LinkedIn to raise awareness and build membership through peer recommendations. While LinkedIn started as a social media tool used by individuals to network, find a job or further their career, it also has company pages that offer additional functionality where individuals can write recommendations about your BMO, which in turn can drive membership growth and retention. One of the best things for any BMO is good word-of-mouth from current members. Thus, to leverage positive feedback, members should be encouraged to post reviews on the BMO's LinkedIn page.

Developing an Engagement Strategy

As with all other aspects of BMO activity, developing a strategic approach is fundamental. Ad hoc interventions and implementation of random ideas without setting goals and knowing what outcomes are expected or how they are to be measured, almost always leads to failure. Although there is no one-size-fits all template, most strategic exercises commence with a forward projection as to what the BMO will look like in five years' time. For a membership development strategy, that might be membership numbers will increase by 10% year on year to [insert outcome figure]; membership by SMEs [define by numbers of employees] will comprise 35% of total membership; 40% of members will have been members for ten years or more etc. The goals are limited only by ensuring they meet the SMART criteria:

- *Specific* – target a specific area for improvement.
- *Measurable* – quantify or at least suggest an indicator of progress.
- *Assignable* – specify who will do it.
- *Realistic* – state what results can realistically be achieved, given available resources.
- *Time-bound* – specify when the result(s) can be achieved.

The following is an example the sorts of issues that need to be considered by a BMO to arrive at a strategy best suited to its membership needs.

Creating an Effective Member Engagement Strategy

Goals – Clear, measurable goals need to be developed. How would you like your relationship with your members to change through this plan? What will you measure to know if your goals have been achieved?

Segmentation - Who are you targeting? What are the composite characteristics and behaviours for each group? What is the competition offering?

Problems - If you can't help to solve your members' problems, they won't have a reason to engage or maintain their membership status. What are each group's most urgent and pervasive challenges? How can you help to solve them?

Value - The value you offer is how you will help to solve the problems and challenges your members face. Whether through quality content, connections with experts, webinar series, or networking opportunities, your value will give your members a reason to stay engaged. What can you offer to solve members' problems? What is the information, collaboration, or networking opportunities they need?

Delivery - What format will you use to engage your members - online, at a live event, in a publication, or through various other tools? What method of delivery would be most convenient for your members?

Channel - There are several stages within the engagement channel that allow you to create content and offers based on the stage your members are at, with hopes of moving them along. Common steps include awareness of the BMO, visiting the website, returning frequently, asking a question, responding to a discussion, and adding content. How do we define stages of engagement? What can we do to move members along?

Measurement - As there are different degrees of engagement, different metrics are needed to track success and identify weaknesses. Specific aspects of your engagement plan can then be adjusted without having to spend time on areas that are working well. If you are hosting a webinar series, rather than measuring how many members attended versus how many members did not attend, look at the smaller steps toward full engagement. How many people opened the invitation email? What percentage of those people clicked through? How many people registered for the webinar? How many actually showed up? Measuring those ratios will give a bigger and clearer picture to work with as you refine your system.

Communication Plan - How will you communicate the opportunities for engagement to your members throughout each phase of the process. How will your target audience be made aware of the engagement opportunities available to them? Emails, newsletters, word of mouth, search engines, social media, etc.

Consistent Action - A member engagement strategy is a dynamic initiative with many opportunities for members to engage. This takes consistent effort to deliver ongoing value to members while adjusting your plan. How will this strategy result in members staying engaged and continuing to get value from your organisation in the long term? How is that going to be maintained and who will be responsible for maintaining it?

Staffing – Who among your staff is responsible for each aspect of your member engagement strategy so everyone knows what they will be held accountable for? Who will do the work? Who will monitor progress? Who is ultimately responsible for the goals being met?

Measuring Engagement

As with all strategic approaches, as well as setting goals, it is necessary to set key performance indicators to be able to measure progress and the impact particular initiatives have had on the goals set. As well as increased membership sign-ups and retention figures, the following measures could also be selected as membership engagement benchmark:

- Member event attendance.
- Social media impressions and engagements.
- Email open and click-through rates.

- Membership renewal.
- Community-building among members.

Renewal

With a shared focus of all BMO staff to have membership longevity as a key outcome for every member, subscription renewal should be made as straightforward a process as possible. Having a software programme such as ACT/EMP's Customer Relationship Management system means that renewal notices and invoices are automatically sent in a timely manner. There are two time-frames for subscription renewal – all membership expires on the same day (at the end of the financial or calendar year for example) or a member's term of membership expires 12 months after joining so that renewals are staggered throughout the year. The first option allows certainty of date of income across the organisation but also puts pressure on the BMO at the beginning of the new membership year if there is a delay in receiving fees due. The second option allows for a more consistent cash flow and makes the renewal process not only more manageable but also that it is perceived as a normal process – membership renewal is an expectation and all staff are there to support it. Having a staggered renewal time means a greater focus can be put on individual members with the member's CRM report being produced and presented and specific contact being made to ensure the member is aware of achievements and value delivered. Follow-up is, of course, essential to ensure that if payment is not made by the due date personal contact is made to find the reason.

Membership renewal benefits such as discounts for early or multi-year renewal are a useful incentive to ensure membership is retained.

BMOs that ignore members by failing to return calls or answer emails, fail to deliver on promises, are unreliable (for example, arrive late for meetings or training courses), increase prices without due consultation, do not provide information or involve members in lobbying activities and do not provide services that meet the member's needs will inevitably find their membership numbers decrease.

Fee Setting

Although there is no hard and fast rule about membership fee setting, it is important that the process to fix fees is open and transparent. Increases in fees should be set by the full membership at the Annual General Meeting on the recommendation of the Board. Members tend to favour annual incremental increases in keeping with rises in inflation or the Consumer Price Index rather than no movement for a period and then a substantial increase to "catch-up". As part of their strategic planning, BMOs should set a membership fees to fees for services ratio. Acknowledging the importance of being a membership-based organisation, this ratio is usually set around 70:30.

Clarity about what services or events are included in the membership fee is essential. Many BMOs include the first 30 or 60 minutes of advice in the membership fee, others provide collective bargaining services as part of the fee while networking events are often free to members. Sponsorship of events is a win-win situation with member companies gaining reputational awareness and an opportunity to showcase its products or services and the BMO being able to hold or reduce costs to the wider membership.

It is important to have a clear distinction between the amount non-members are charged to participate in a training course or briefing and the rate applicable to members – or in some cases to simply exclude non-members from taking part at all. And if members want to take advantage of additional opportunities for group engagement that the BMO offers (such as the case with larger members of Business New Zealand) then additional fees need to be charged.

Non-Renewal of Membership

Despite the best efforts of a BMO there will be members who decide not to renew their membership. A BMO must manage this situation carefully to ensure financial members are not subsidising those who are no longer paying fees. A grace period is often set ranging from one to three months after membership has lapsed during which time extensive efforts to re-engage with the member are undertaken. If those efforts are not successful, however, the membership roll must be cleared of that enterprise not only to properly reflect the true situation with regard to the representative status of the BMO but also to ensure the ex-member is not “free-loading” at the expense of those members who are up-to-date with their fees.

It is important for a BMO to ascertain why a member has decided to resign or has withdrawn from membership by simply failing to renew. An exit survey is a useful tool for a BMO to collect valid research results as to why the member has chosen to leave and whether this is likely to be an issue for other members as well, what might be done to attract them back, distinguish between avoidable and unavoidable attrition, to end this stage of the relationship on a good note, and to update the database for subsequent efforts to reinstate those who may want to come "back to the fold" in future.

The survey can be done on-line or by using personal contact. The latter method, by way of a telephone call or - especially in the case of a significant or long-standing member - by way of a scheduled meeting, is likely to be more effective as questions can be tailored to respond to the particular situation. Whatever the method used, the first step should be to ask the ex-member if they would agree to be part of the survey stressing that the BMO is sorry to lose them, thanking them for their past contribution and that it would appreciate their input as to how it could improve its responsiveness or services to ensure that as many members as possible (including them) are retained. The approach should come from a high-ranking executive or Board member rather than the membership / marketing department, so the concern is seen as not merely transactional but an earnest

attempt to learn and take action to address the issues a former member identifies. It is also important to have as much information about the member's interaction with the BMO as possible before the call is made – including contributions to policies and advocacy. If the first question is “How long have you been a member of the BMO?”, then it is clear that the BMO does not really care for the individual but is merely going through a process.

Exit Survey Template

- What was the key reason behind your initial decision to join the BMO?
- What was the key reason not to renew membership?
- Is there anything we could have done differently to prevent you from leaving? [] No [] Yes – please provide details ...Is there anything we could do to make you reconsider your decision to not renew your membership? Or: Please complete the following: I would have renewed my membership if ...) *This question is most important as it identifies whether they are leaving for reasons that are nothing to do with their membership experience or are leaving because of something you have or have not done.*
- What services did you find most useful during your membership?
- What services did you find least useful?
- Would you still recommend the association to a business associate? [] Yes [] No *This is important as they may still be a supporter and advocate of the BMO but current circumstances prohibit their continued membership. It also determines if it is useful to reconnect with them in the future.*
- Might you re-join at some point in the future? If so, what might encourage you to re-join?
- What was the decision-making or evaluation process that you went through when you decided not to renew?

The survey results must then be analysed and acted on. If the reason is that the fees are too high, consideration could be given to offer payment by monthly instalments rather than an annual lump sum payment to all members; if the time training courses or briefing sessions are held make it impossible for the owner of an SME to attend, consideration could be given to moving some of them to an evening, early morning or a weekend; if the training courses offered have no relevance at all to the former member, consideration should be given to undertaking a more formal needs assessment of all members.

Reinstatement

Just because a member has formally resigned or has not renewed its membership it does not mean that all contact in the future should cease. The CRM or other membership management system should not delete the former member entirely but move them to a different classification along with the reason why they resigned or let their membership lapse. It should be reviewed from time to time with the intention of approaching the past member to ascertain if circumstances have changed that would encourage them to re-join. For example, there may be a change of Government that intends to pursue policies detrimental to the former member's sector that may influence them to become

a member again to have their voice heard. An approach from the BMO to the former member is likely to be more effective in these circumstances than expecting the past member to make the first move.

The BMO's constitution should set out very clearly what the requirements are if a member resigned or simply stopped paying their fees and then wished to re-join. A consistent approach must be applied regarding any arrears owing before a past member can be accepted once more into membership.

Conclusion

With membership being the lifeblood of a BMO, the more attention the BMO places on attracting and retaining members, the more successful it will be not only in terms of lobbying and advocacy but also in its reputation as being a respected, relevant organisation that adds value to the business community. A strategic approach to membership development - making sure that engagement is tailored to different segments of the membership – is vital for the BMO to remain viable in the long term.