

# International Co-operative Alliance

## Organisational Review 1998

Global Co-operation in the New Millennium

*The ICA - Organising to Serve its Purpose*

334 (5)  
ICA

### CONSULTATION DOCUMENT

This document has been prepared following two special meetings held in Paris; on 17 October 1998 - of the ICA Board and on 18 October - of a joint meeting of the ICA Board and the Chairpersons of the Specialised Bodies.

## Foreword

For well over a century the ICA has taken on the task of leading the world-wide co-operative movement and now, as we prepare for the new millennium, the ICA Board has agreed that there should be a thorough review of the entire operations of ICA.

Co-operative leaders everywhere will be well aware of the immense changes in the economic and political environment within which co-operatives need to function, which have already taken place in recent times and which appear to be set to continue at an even greater pace. It is against this background that the Board decided that all aspects of ICA operations need to be reviewed, with the objective of establishing the form of organisation that will be required to meet the real needs of ICA members now and into the future.

As a first step in the process of instituting the changes that will be required if the ICA is to continue to evolve into the kind of organisation that its members need to support their own future development, a special report was commissioned. With the generous support of the Swedish co-operatives, the report was prepared by Edgar Parnell, who was until recently CEO of the Plunkett Foundation. This report provided the focus for discussion at two special meetings held in Paris: on 17 October 1998 - of the ICA Board and on 18 October - of a joint meeting of the ICA Board and the Chairpersons of the Specialised Bodies. Taking into account the views expressed at these two meetings the original document has been revised and a series of key issues have been identified.

The document that follows now provides the basis for the wider consultation which needs to be undertaken before the ICA Board can prepare firm recommendations that can be put before the Quebec Congress in August 1999. I am therefore asking that the document be circulated widely among your affiliated organisations and that their views are canvassed. We wish to obtain the comments and suggestions from each Regional Board and Specialised Organisation about the way that the ICA should be organised in future. **We shall need to receive your submissions by the end of February 1999**, so that these may be considered at the ICA Board meeting, to be held in April 1999.

The theme for the Quebec Congress is "Adding Value to membership" and this can also encompass the ICA itself; for the ICA needs to be organised in such a way that allows it to best serve its members in the next century and beyond. I look forward to receiving the ideas and suggestions of your organisation to help us to achieve our purpose.

*Roberto Rodrigues*

ICA President

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Opening Section
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## Introduction

The ICA Board has resolved that:

*“In light of the immense change which has already taken place, and which appears set to continue at an even greater pace, in the economic and political environment within which co-operatives need to function, there should be a thorough review of the ICA entire operations”.*

As a preliminary to the review process a questionnaire was issued to ICA Board members and the chairpersons of the Specialised Bodies. A summary has been prepared from the replies received, this is attached as an Appendix. This information has been considered along with the results of a recent member survey and other background materials. A preliminary version of this report provided the focus for discussion at two special meetings held in Paris, in October 1998, of the ICA Board and a joint meeting of the ICA Board and the Chairpersons of the Specialised Bodies. Taking into account the views expressed at these two meetings the original document has been revised and a series of key issues have now been identified.

This revised document is intended to provide the basis for the wider consultation to be undertaken before the ICA Board can prepare firm recommendations to be put before the Quebec Congress in August 1999. We wish to obtain the comments and suggestions from each Regional Board and Specialised Body about the way that the ICA should be organised in future, so that these may be considered at the ICA Board meeting to be held in April 1999.

### Defining the objective of this review

#### The world has changed and will continue to change

The economic and political climate has changed dramatically over the past few years and can be expected to continue to change in the years ahead. It is important that the ICA leadership fully understands how the environment in which co-operatives operate is changing. Care needs to be taken that we do not simply accept popular misconceptions about what is happening; we need to make our own forecasts based on the best information we can get.

#### Co-operatives are changing too

There are many different factors which are forcing co-operatives to change. Some changes are very specific to co-operatives in particular regions or countries, while other factors are affecting specific sectors. Such issues include: structural adjustment, democratisation, changing governmental policy towards co-operatives, regional trade groupings, new competition legislation, and pressures to secure de-mutualisation. There are, in addition, many factors that are affecting co-operatives globally, most notably the growing power of multinational businesses. It is vital that ICA policy-makers appreciate what is really happening, not only in their own country and region, but globally

too. They need to be in a position to see things as they are; not as we would wish them to be.

### **The co-operative opportunity**

Most will readily agree that there is both the need and the opportunity for a substantial advance in the role of co-operatives in the world economy. The main impediment to the expansion of *co-operation* as a system lies in the lack of a credible performance on the part of many co-operatives. There needs to be a much more open acceptance of the structural and organisational weaknesses that exist within many co-operatives and a new determination to identify and correct them. In co-operatives the truism that "success breeds success" applies, and it is also a fact that poor performance by some is damaging to all. The key question is - can ICA be organised so as to make a more significant impact on the performance of co-operatives world-wide?

### **ICA must rise to the new situation and meet the future needs of co-operatives**

All aspects of ICA operations need to be reviewed with the objective of establishing the form of organisation that will be required to meet the real needs of its members into the future. ICA can become an organisation that significantly impacts upon the effectiveness of co-operatives throughout the world. Those who have answered the questionnaire have collectively helped to identify the future needs of ICA members. The outcome of this organisational review should be an agreed strategy setting out the future direction of the organisation, and an outline action plan designed to secure the changes needed.

### **The purpose of this document**

This document has the purpose of guiding the ICA leadership through the process of determining the type of organisation now needed. Setting out the issues that should be addressed within this process, and indicating in what ways the ICA could change so as to best respond to the future needs of its membership. A set of summary conclusions and the key issues upon which we need to have your views are presented at each stage of the review process.

## **The review process**

### **A zero based approach**

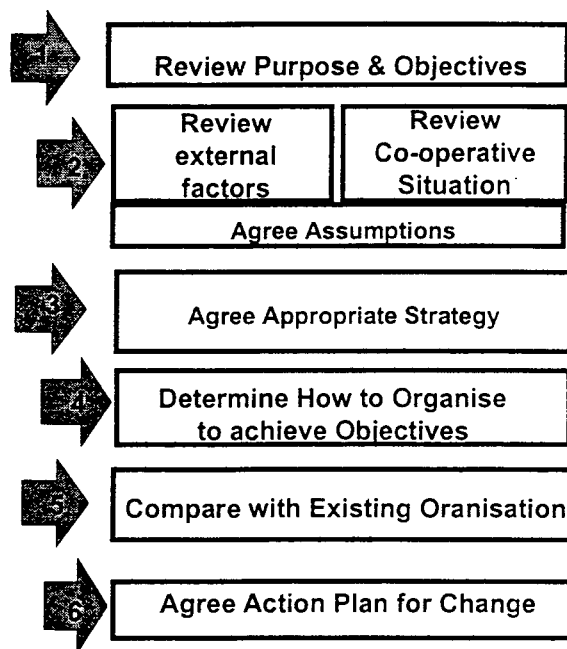
The plan is that we start with what is in effect a blank piece of paper. Adopting a zero based approach means - starting with an open mind, that everything is open to question, nothing is exempt from review and that we do not start by fighting to defend pet projects or functions. The aim shall be to determine what we believe to be the best organisational arrangements to facilitate ICA in meeting the future needs of its members. Only after this has been established will this be compared with the existing organisation. We can next decide what compromises have to be accepted. Because we do not want the past to overshadow the future, or to reject prematurely innovative options for change, it is not intended to use some of the more conventional approaches to organisational development.

### A vision of our future

We need to spell out clearly our vision for the future, what we want the ICA to become in the new tomorrow. Then we need to work out the precise steps that will take us towards our vision within a realistic time-frame. Our vision cannot be an idle dream, but instead must be rooted in the realities of the economic and social conditions which we can predict will most likely prevail; also, starting from the true position in which co-operatives find themselves today.

### A six step process

A six step process is proposed. ICA decision-makers will be invited to set forth their views at each stage, and to determine their collective position prior to moving on to the subsequent step. The steps involved are illustrated by the following diagram:



### Some conclusions at this stage:

1. *On the one hand there are many threats to the very existence of co-operatives, but on the other hand there are greater than ever opportunities for co-operatives. As ICA President Roberto Rodrigues has said "We could be at the beginning of a second great wave of co-operative growth"*
2. *If ICA is to significantly support its members, helping them to meet both the threats and the opportunities that already exist, and which will surely intensify in the future, then it will need to change.*
3. *ICA leadership must now address the need for change, and establish the future shape of the organisation and the strategies that need to be followed if it is to meet the challenges that are ahead.*

**The key issues:** (Questions which need your response)

1. At this stage it is important to know if ICA member organisations are in agreement that change is needed and whether or not they are prepared to become committed to the process of change.
2. In order to give some real focus to our deliberations, it will be important to know what are the most important ways in which your organisation believes ICA could support *co-operation* and co-operatives in the future. Could you please provide a list of not more than ten such ways ranked in order of their perceived importance.

Step One
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## Re-stating ICA's Final Cause (raison d'être)

### Why does ICA exist?

ICA was originally established to forward *co-operation* on an international basis. As its member organisations have become more established and developed their own administrative basis, then the ICA has gradually become more focused upon supporting the co-operatives that make up its membership. In other words promoting and facilitating co-operatives as organisations, rather than *co-operation* as a system. Perhaps it is only a matter of accepting the inevitable, when as a mature organisation, ICA becomes more and more focused upon providing the supporting services that its members require.

ICA has been, and can be expected to remain, an organisation with a significant representative and advocacy role. The main issue facing its leadership at this time is the extent to which it will become more directly involved in providing services in support of its members. Where the balance is struck between the **representative/advocacy role** and the **service provider role** may be the main factor determining the kind of organisation that evolves. The decisions that need to be made about the shape of the organisation required for the future will significantly depend upon whether or not ICA in the next century is to become a body that primarily provides capacity building services to its members, or one that maintains more or less its current portfolio of activities.

### Starting from the end

The answers to the recent questionnaire (summarised in the Appendix attached) and the membership survey, both reveal the kind of functions that current ICA members want. However, the expectations of members is, to a large extent, governed by what functions have been undertaken in the past. It is important to start from a stand point based upon identifying ***what it is that ICA could do for its members that would be most beneficial to them?***

If ICA were to become substantially driven by the task of helping to make its members more effective, then this shift from the dominant functions of representation and advocacy to a new range of functions would require organisational change, including a substantial cultural shift. ICA members would need to become fully committed to any new role that may be envisaged for their organisation and to change their perception of its main purpose.

### A purpose with a future

If co-operatives are going to survive the onslaught of global investor-driven business, especially since most states have now abandoned any pretence that they are able to control this power and influence, then they are going to need all of the help and support that they can get. In fact, unless co-operatives are able to considerably improve their performance in many respects then the very future of ICA will be threatened. Because, of course, without members that can afford to pay ICA subscriptions, then there will



eventually be no ICA. So if ICA can really help its members to grow and prosper then it will at the same time help assure its own future.

### **From the theoretical to the practical**

ICA already does provide many services that are of considerable value to its members, but it can be observed that many of its current resources are directed towards promoting the theoretical advantages of co-operatives. The key issue is whether or not more substantial benefits to its members could be gained if the focus of its activities were to become the provision of services that will more directly help to improve the results of *co-operation*. Co-operatives may well lay claim to the best economic system in the world today but this means little if we cannot make it work in the interests of the common people.

### **What is it that makes an organisation dynamic and successful?**

If we examine the functioning of membership based organisations it can be observed that those that are dynamic and successful are those in which the members feel that the organisation is truly relevant in terms of meeting their needs. There are, of course, other important factors involved, not least the imperative of having high quality, well motivated staff. The critical feature is nevertheless **relevance**. In fulfilling ICA's purpose we must continually seek to provide that which is completely relevant to the majority of the membership. There is a continuing danger that member representatives with a single issue agenda can take the organisation "*off course*" and into activities that cause the majority of members to regard the organisation as less relevant.

### **What kind of organisations should be in membership?**

At the next stage we shall examine more closely what is happening to co-operatives in the world, and as a consequence what types of organisation could be expected to be in membership of ICA in the next century. However, even at this stage it is important to address the question of the likely future make up of ICA membership. Logically, it can be reasoned that the functions demanded from ICA by its members will depend upon the mix of organisations that comprise its membership.

The current ICA leadership shall need to recognise that, if ICA is to serve both those bodies which represent co-operatives having a combination of social and economic objectives as well as those that have objectives that focus almost entirely on the economic benefits of *co-operation*; then, it will have to ensure that ICA can in fact meet the aspirations of both forms of co-operative. It will also be necessary to actively encourage the take up of membership from a wider range of co-operatives.

The more traditional multi-tiered federal structures of national co-operative movements are in many cases breaking down. This means that the idea that a single national body will represent all co-operatives, or at least co-operatives of a specific sector, may no longer be valid. This situation has already been reflected in some of the more pragmatic decisions taken about the admission of members in the recent past. Likewise, pragmatic decisions have been made about which bodies will be accepted as members of the specialised organisations.

The establishment of a clear and consistent policy on membership, including the opportunities for associate membership and for membership of Specialised Bodies, would appear to be a prerequisite to determining the type of organisation required. For it would not seem sensible to decide what ICA wants to offer its members unless it knows what kind of bodies will comprise the membership that it will seek to serve.

### What do current members want?

The members surveyed indicated that they most valued their membership because ICA:

- Provided the opportunity to make contact with other co-operatives
- Provided them with an internationally recognised identity
- Organised useful meetings.
- Provided access to the Specialised Bodies
- Provided support in developing countries
- Represented co-operatives before UN bodies

They also acknowledged that ICA could help them on other fronts but was not always meeting their expectations in respect of:

- Providing business contacts
- Supplying functionally relevant information - written and electronic
- Supporting to co-operative in countries that are in the course of economic transition
- Facilitating governmental contacts

It is not clear if the members' surveyed expressed any views as to what other benefits they would wish to receive from their ICA membership; or if they considered that ICA could provide them with any services that would directly assist them in improving their own performance.

### What else could ICA do for its members?

The responses to the questionnaire contain strong messages that demonstrate the opportunity for ICA to fulfil the more pressing needs of the co-operatives that member bodies represent. The issues that are of real concern include:

- **Co-operative legislation**, this is an issue on which an initiative is already underway and one that is of concern to various members.
- **Developing systems of governance that really deliver results yet are democratic**, reconciling the apparently conflicting demands of efficient management and democratic processes.
- **Securing adequate finance without sacrificing member control**, accessing finance for co-operative enterprises when the members are unable to provide all of the finance required from their own resources.
- **Securing the services of high quality managers, motivated to serve co-operative members**, a shortage of the right kind of human resources, especially at the highest levels of management.

- **Mobilising aid and technical assistance.** Co-operatives in developing and transitional countries are aware that other forms of enterprise are accessing aid and technical assistance from richer country governments and international agencies. More help in securing access to these resources is required by ICA members.

There are many other needs that could be classified as either sector specific or technical, the kind of needs that are in some cases, at least in part, currently met by the Specialised Organisations.

The question to be answered is how should ICA be best organised to deal with these issues and those issues of similar significance, that will no doubt arise in the future?

#### **What will attract new or lapsed members?**

There are many co-operative national bodies and in some cases entire countries (for example; Australia, Ireland and New Zealand) that are eligible to become members of ICA, that have no ICA membership. It can only be assumed that such bodies do not feel that ICA membership is relevant to them, or that the cost of membership is not affordable. This organisational review should not only take account of the requirements of the current members but also consider ways in which ICA could become more relevant to the needs of prospective members.

#### **What will members be willing to pay for?**

In almost every membership organisation the benefits that the members would like to receive will always exceed what they would willingly pay for. It can, however, be very limiting to approach any review of member benefits from a starting point of the members willingness to pay. Better instead to detail the benefits that could be provided and then to prioritise them. Only then deciding what is affordable. Otherwise there is a danger that we keep on devoting resources to functions of relatively low priority while the most important needs of members remain unsatisfied. However, it is fully appreciated that some members do contribute to ICA to an extent that far exceeds any anticipated benefits.

#### **Re-examining the mission statement**

ICA's current mission is: "ICA is an independent, non-governmental association which unites, represents and serves co-operatives world-wide".

Many would now regard the concept of a mission statement as being outmoded. Too often such statements have been used to conceal the true intentions of organisations, and they can be the source of much cynicism. There is little doubt that it can be helpful for all of those involved in an organisation to be able to call upon a **concise statement of purpose** that can act as a constant point of reference. However, such statements must be most carefully drawn if they are to be of value. It is not recommended that this task is attempted at this stage, rather that this is undertaken once the review has been completed and the path ahead is absolutely clear.

#### **Options for change**

There exist many alternatives for ICA in response to the call for change, including that of:

- no change,
- doing more/ less of what it does now,
- becoming more/less regionally focused,
- becoming more/less sector focused,
- becoming more/less business focused,
- becoming more of a service provider,
- becoming more relevant in terms of members' fundamental concerns.

The options available could include combinations of these and other responses.

### **Some conclusions at this stage:**

1. *We need to decide if ICA is to become much more of “ a provider of services”, in addition to it continuing to undertake the current representation and advocacy role. If new services are to be provided then they should help make ICA more **relevant** by addressing those matters that are of real and pressing concern to its members.*
2. *The issues that are of real concern to ICA members include matters of practical interest to specific sectors, but also several key cross-sector issues including: public policy issues (legislation, taxation, and other aspects of governmental policy), governance and management systems, securing finance, mobilising aid funds and developing future co-operative leaders. We need to decide how to best organise to deliver what the members really want.*
3. *We need to decide what kind of organisations our future members will be, and how best to meet their future needs. There appears to be a widely held view that ICA should embrace a very wide spectrum of different types of co-operatives, including those that place little priority on social objectives and those where mutual ownership of assets is not a feature. A much more flexible approach, that will open up direct membership of ICA to very large first level co-operatives, could now be favoured. There is also a move to gather in all other organisations that are interested in the activities of ICA, but that do not qualify for full membership, under the umbrella of associate membership.*

### **The key issues: (Questions which need your response)**

1. **On the understanding that at this stage we are not seeking to re-write the ICA mission statement, could you agree that the purpose of the ICA can be epitomised as: “Supporting and strengthening Co-operation world-wide”? If not, then would you wish to offer a similarly concise alternative statement of ICA’s purpose?**
2. **If ICA is to appeal to a very broad range of types and forms of co-operative, including those that place little emphasis on any social purposes, then a more liberal interpretation of co-operative principles may be called for; will you find this acceptable?**

Step Two
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## Factors Driving Change

### Living in tomorrow's world

In order to arrive at the right decisions about the future we need to try to be sure that we are basing them on a set of correct assumptions about the current and future economic and political environment within which co-operative shall need to function. We also need to understand what is happening to co-operatives around the world, how they are changing and what is causing them to change.

#### Political and economic changes

Most of us will be more than familiar with the most significant political and economic changes that have taken place over the past few years but it is probably more important to understand the factors and the trends that are behind these changes. Some of the matters that will be of most concern to those involved with co-operatives include:

- ***The globalisation of markets.*** Goods and services are now traded more widely than ever, and with fewer restrictions imposed by national boundaries or tariffs. The result is that competition is now increasingly international whereas in the past local markets could be reserved for local enterprises. This trend is set to continue as the World Trade Organisation continues its task of removing barriers to international trade.
- ***De-regulation and privatisation.*** More and more internal regulations covering trading are being dismantled. Also, the state is withdrawing from the provision of many services that they previously provided. The growth in power of multinational firms is progressing largely unchecked.
- ***Stricter competition legislation is being introduced.*** In an attempt to prevent the interests of the consumer becoming victim to the power of monopolies, governments are introducing stricter laws intended to curb anti-competitive forces. In practice, multinational companies are often able to make use of such legislation to neutralise locally-owned/controlled enterprises as effective competitors.
- ***The decline of the of the power state.*** While the situation varies considerably between different states, a seepage of governmental power is taking place in most states. While some limited powers are being handed over to organs of the civil society, the major beneficiaries are businesses, and mainly those operating on a multi-national basis. Control over information and how it is distributed, especially in terms of the media, is becoming increasingly concentrated.
- ***More demanding consumers.*** Where consumers are sufficiently affluent they have the opportunity to choose where they spend their money and only those suppliers able to meet their requirements can survive in the marketplace. People are increasingly seen as just a market to be exploited. On the one hand apparently being provided with an infinite choice, but on the other hand, as greater concentration of market power

and internationalisation takes place, they are being left with a uniform selection based on what is essentially a North American mono-culture.

- **Advances in science and technology.** The pace of scientific and technological change continues to accelerate, especially in the field of communication and information technology. This opens up many new opportunities for co-operatives, but at the same time threatens the future of those enterprises that cannot keep pace with these changes. This occurs either because of a failure to update their expertise or an inability to finance the higher levels of investment required.
- **The growth of organised crime.** When established political systems disintegrate, de-regulation takes place and restrictions on international trading are reduced, the conditions are provided under which organised crime flourishes.
- **A widening gap between rich and poor.** Although in more recent times there may have been some levelling up of the gross national products between countries of the North and South, in many instances the gap between rich and poor continues to widen. Within countries, including the richer countries of the world, the gap between rich and poor is widening. In many cases there is a clear distinction between those that are unemployed who become marginalised and those that can find employment who prosper.

*The UNDP Human Development Report for 1997* points out that - "The globalisation (of markets) is proceeding largely for the benefit of the dynamic and powerful countries", also that "growth does not help poverty reduction when big chunks of GNP go out of the country".

- **People in search of a community.** As evidenced by the activities of independence movements and pressure groups demanding more local autonomy, there are many people in the world that are seeking to live within smaller, more controllable communities. This could be described as a counter-trend to most of the other changes that seem to be taking us towards larger organisations and a situation where people are regarded as merely fuel for an immense and powerful marketing machine. There are new demands for the empowerment of people that yearn to take more control over their lives. Co-operatives can help to fulfil these ambitions but only if they offer genuine participation within decision-making processes.
- **Concern for our planet.** There is an increasing realisation that without significant changes to the way we use the world's resources the future of our planet is under threat. Other issues of stewardship are also coming to the fore, including animal welfare, species protection and the effects of bio-technology. Parallel to this wider public awareness is the growth of pressure groups prepared to reinforce their message with direct action. Both the issues and the activities of related pressure groups impact upon co-operatives.
- **Gender issues.** The issue of the unfair treatment of women in many areas of life continues to be one that needs to be addressed in co-operatives as well as in most other institutions.

especially in Western, economies the decline of the family owned-farm means that many agricultural co-operatives now have members that are businesses rather than individual farmers. The pressure then builds for such co-operatives to become “business” co-operatives which essentially have only economic objectives. Some of the world’s most economically powerful co-operatives are of this type.

- ***Decline of class based co-operatives.*** In several countries co-operatives were in the past often seen as a mechanism to forward class struggle. The general public has abandoned the concept of class struggle with the result that co-operatives based on such a foundation are seeking a new position with their membership.
- ***Sacrificing of control to access finance.*** Co-operatives facing a demand for increasing volumes of finance are sacrificing member control in order to attract the finance needed. In most cases this sooner or later leads to the organisation ceasing to be a co-operative.
- ***Distribution of common funds - (De-mutualisation).*** Where the legislation permits it, co-operatives are disposing of their assets, either directly or by conversion into a company. This is happening where members see that the current value of a co-operative’s assets, if distributed, are more attractive than the benefits likely to be secured from continuing as a co-operatively owned enterprise. Often such a “sell-off” is arranged with the connivance of the co-operative’s management and substantially to their benefit.
- ***Social Economy concept.*** Some co-operatives are aligning themselves with the concept of a “social economy”. Although there can be advantages in creating such alliances to balance the power of big business, the classification of co-operatives alongside charities and bodies that are dependent for their existence upon governmental sponsorship can be potentially damaging to co-operatives. Co-operatives need to be clearly distinguishable as organisations that have complete autonomy and as *self-help* enterprises.
- ***Integration of functions.*** Co-operatives supplying goods and services are finding that in many cases there is a demand for a “one stop” service centre, for example; all forms of financial service are required from one point - savings, loans, insurance cover etc. Consumers also expect to be able to transact this kind of business during the course of their regular food shopping trips. This trend has significant implications for those co-operatives that are highly specialised in providing a narrow range of services, but this also offers real opportunities for co-operation between co-operatives.
- ***Seeking economies of scale.*** Co-operatives of all types continue to seek economies of scale and in the process often fatally weaken relationships with their membership. Amalgamations and the traditional tiers within co-operative federal structures are being dismantled at an accelerating pace. Much greater efforts need to be applied to the task of making federalism work before rushing into amalgamations which can sow the seeds for the future demise of entire co-operative sectors.

### Growth areas for co-operatives

- ***The global financial crises.*** The serious damage to the economies of many Asian countries, Russia and some South American countries, which has taken place recently, is the result of weaknesses being revealed within existing financial structures. These events only serve to demonstrate the high level of dependency all nations have on retaining the confidence of international financing institutions, and to highlight the benefits that locally-owned and financed co-operatives can offer in terms of stabilising national economies.

### What do we mean by competition?

Increasing competition has not been included in the factors listed above, because intensified competition is essentially a product of the trends identified. In some cases, the problem arises from the fact that co-operatives see competition as detrimental, but if the result of competition is to improve the quality of the goods and services provided to their members then it should be seen as positive. ***The real challenge to co-operatives is to provide services that are better than the competition or, if they cannot do this, to move on to other activities where real benefits can be delivered to their members.***

While others search for the “*next big idea*” co-operative are already sitting on top of it. We need to forget about treating people as a market but instead, honestly and without cynicism, set out to genuinely meet their most pressing needs as people.

### Changes in co-operatives

Quite apart from the changes to the political and economic systems which have fundamentally affected co-operatives operating within developing and transitional economies, several other trends have become manifested within co-operatives world-wide. These include the:

- ***Withdrawal of state sponsorship.*** Co-operatives in many parts of the world have suffered from the withdrawal of varying degrees of state sponsorship; this has not only been confined to post-communist and developing countries.
- ***Ascendancy of professionals.*** The effective direction and control of many co-operatives has slipped away from the membership into the hands of professionals. The priorities in such co-operatives have become based upon the professional competencies of its managers, instead of the real needs of its members. For example, management dominated co-operatives see themselves as “retailers”, “food processors” “bankers”, “insurers”, etc., rather than as organisations that exist to maximise the benefits that are delivered to their members.
- ***Decline of federal structures.*** In many sectors primary co-operatives have become much larger, either through amalgamations or organic growth. As a result federal structures have become less relevant. Co-operatives with only economic objectives prefer directly controlled structures to the more difficult to manage federal structures.
- ***Growth of business co-operation.*** There are many long standing examples of co-operatives of small-businesses self-supplying services; for example, among small-shopkeepers and pharmacists. This type of co-operative can be expected to take on new forms. However, in agriculture,



Co-operation continues to evolve and people never cease to find new ways in which co-operatives can be developed to serve their needs. Whilst in some parts of the world there is a long tradition of some forms of co-operation whilst these may be relatively unknown in other locations. We should expect a greater level of transfer of co-operative experience which will result in a faster rate of international transfer of successful co-operative ventures.

The following are types of co-operative that seem set for expansion together with newer forms of co-operative expected to develop during the early part of the next century:

- **Health & care.** Co-operative health and care services of all varieties, including consumer-controlled organisations that replace or supplement those controlled by the state or by health professionals.
- **Public services.** Co-operatives that replace those services which have been taken out of state or municipal control; especially where the communities are intended to serve become increasingly dissatisfied with the level of service offered by privatised undertakings.
- **SME joint business ventures.** Co-operatives of businesses, of all types, to allow small and medium-sized enterprises to prosper in the face of intensifying competition from multinational companies.
- **Special needs.** Co-operatives that cater for the special needs of specific population groups, for example in those countries with ageing populations the growth of co-operatives catering for the needs of older people should be expected.
- **Knowledge sharing.** Co-operatives that help people access the knowledge and skills that they need to prosper in knowledge-based economies. These may range from groups of farmers that seek to replace the technical services they previously received from governmental extension services, to groups of people in a community that need to access and master information technology.
- **Employment mutuals.** Co-operatives that provide support and services to those that cannot expect to hold lifetime employment contracts. Such co-operatives provide support to those in casual or short-term employment, helping them to upgrade their marketable skills and marketing their services. Also, in some cases providing supporting services such as child care for working mothers, joint insurance provision, and temporary absence cover.
- **Micro-credit.** All kinds of micro-credit and other financial service co-operatives which provide services to those people that are not seen to be attractive markets by high cost traditional financial institutions, can be expected to continue to grow.
- **Real value pension providers.** Co-operatives that are run on a genuine mutual basis, and are able to provide pensions to their members representing real value for the savings invested.
- **Community service co-operatives.** Community service co-operatives of all types can expect to grow in the face of an increasing unwillingness of people to hand over significant portions of their income by way of taxation to state and local government service providers.

- ***Umbrella co-operatives.*** Many of the existing large-scale co-operatives may be expected to become the sponsors of the newer forms of co-operative referred to above. They can cater for the more specific needs of groups within their existing membership through specialist co-operatives, to which they can be the provider of management and supporting services.
- ***Traditional co-operative sectors.*** The more traditional forms of co-operative can also expect to grow and prosper, but only where they are prepared to reinvent themselves so as to meet the real needs of their members. Those co-operatives that simply try to compete with multinational companies without offering any significant advantages to members seem destined to decline or to degenerate into investor-controlled businesses.

### **Responding to change**

The factors outlined above can be identified as some of the most significant on a global basis. Naturally, there are many other regional and national issues also impacting on co-operatives. The ICA needs to respond to these factors and to build an organisation that can best help its member organisations under these new conditions.

### **Drawing up some assumptions**

What assumptions can we make about the future based upon our experience of recent years?

We can expect that many of the past trends will continue. We can also expect a growing reaction to the power of bigger and bigger global business. Co-operatives could find increasing favour with governments and the wider public as they seek to exercise at least some degree of local control. However, people will not be convinced of the value of co-operatives by theoretical arguments, but only by the tangible benefits they are seen to deliver. If ICA can help co-operatives to find ways of delivering more and better benefits to their "grassroots" members, then it will provide a most valuable contribution to the future of *co-operation*.

### **Some conclusions at this stage:**

1. *The world has changed dramatically over the past few years and co-operatives internationally shall need to "adapt or die".*
2. *There are many challenges facing co-operatives, but most threatening is the dominant position that many large global companies are beginning to occupy. The activities of multinational companies may also, in due course, present a threat to democratic systems of government. Unless co-operatives learn to really work together internationally, they are unlikely to be able meet and defeat the power exercised by such global businesses.*
3. *People all over the world seem to be crying out for the sort of benefits that only real co-operatives can provide. However, too many co-operatives seem to be unable, or at least their current management seems unwilling, to make the kind of changes that are now needed. The ICA will have to change radically too, if it is to help its members rise to the challenges that are now facing them.*

**The key issues: (Questions which need your response)**

1. **How do you believe ICA can best serve its present and prospective members in the face of all of the changes that are taking place?**
2. **What are the priority issues that ICA needs to address on behalf of its members?**

## Step Three

# Developing a New Strategy

## Determining the real priorities

There can be no doubt that ICA does perform many functions that its current members value, otherwise they would not continue in membership. The most important questions to be answered by the ICA leadership would seem to be that: *given limited resources, are the things that ICA does now the real priorities? If not, then what other functions are judged to be of more importance to the members?*

### Facing up to reality

The first reality that needs to be faced is that co-operatives will not win the support of their members by reciting co-operative values - but *by delivering tangible benefits* to them. When referring to benefits, these are not by any means limited to financial benefits but include anything that the member truly perceives as a benefit received as a result of their co-operation, for example the choice of organically grown food, ethically sound investments, honest labelling etc.

The second reality is that serious structural and organisational weaknesses exist within many co-operatives, this often results in co-operatives being slow to react, bureaucratic, and lacking in innovation and dynamism. There is a pressing need for a new determination on the part of many people involved in co-operatives to identify these weaknesses and to correct them.

The third reality is that the general public are not impressed by claims about the benefits that may arise from different ownership structures but only by the capacity of organisations to perform. It needs to be accepted that the main impediment to the expansion of *co-operation* as a system lies in the lack of credible performance on the part of many co-operatives.

Co-operatives the world over need to be helped to face up to these and other realities that are seriously holding back co-operative growth, and the ICA could be uniquely placed to do this. However, the ICA itself needs to face up to the fact that much of its energy and resources are currently channelled into promoting the theoretical advantages of co-operatives rather than in directly helping to improve the performance of co-operatives.

### What kind of changes are called for?

It would seem that the basic organisational shape of the ICA, which provides for a regional and sector specific aspect to all of its activities, now mirrors the aspirations of most members. Also, that having been through recent major exercises, involving a revision of ICA rules and a review of co-operative identity and principles, there is no appetite for change in these areas. Indeed, there is no evidence commending any significant further change in these formal aspects of the ICA's organisation.

So it becomes clear that this review will not be about changing our principles and values, or about changing ICA rules. But, that it is about reallocating our priorities and matching these with the available resources. Perhaps also it is about changing the prevailing culture of the organisation. The results of our deliberations will not be “revolution” but instead a case of “accelerated evolution”.

### **An organisation driven by a desire to strengthen its members**

On the assumption that change is needed, then this is most likely to take ICA in the direction of becoming an organisation that puts the majority of its resources into providing those services that can most directly strengthen its members, and in turn the co-operatives that they serve. This will require a new strategic direction, a cultural shift, and changes to the organisation, so as to equip it to deliver a new range of benefits to its members.

### **Creating a winning strategy**

A winning strategy for ICA will be one that captures the imagination, energy and commitment of both its membership, current and prospective, and its staff. Such a strategy could be summed up by the phrase - *helping co-operatives to succeed*.

### **The “value for money” test**

One approach will be to test all existing and proposed activities against “value for money” criteria, assessing what resources are allocated to each activity against the benefits achieved. Benefits in this case meaning the extent to which the activity actually helps member organisations succeed. Next, ranking each activity in relation to its perceived value for money, and depending upon the resources available, those activities at the lower end of the value for money scale may need to be dropped.

## **What can ICA do that will make a real difference?**

If ICA is to help its members to succeed then it must find the best way of addressing those issues that are most critical to the success or failure of co-operatives. The underlying weaknesses common in many co-operatives will need to be addressed and the experiences of the successful co-operatives need to be more widely shared and adapted to differing situations. Internationally, the best available brains and expertise need to be brought together so as to find solutions, along with the ways and means of implementing those solutions. The issues to be dealt with will likely include:

### **At a global and regional level -**

1. ***Improving the systems of governance and the quality of management.*** Many co-operatives suffer from serious weaknesses in the way they are organised. This is not just a matter of having a code of practice to guide directors and managers but is much more fundamental. It is about getting systems in place that allow co-operatives to become really dynamic organisations, making it easier to shed bureaucratic structures and the people that perpetuate them.

The need for the highest quality of management is well recognised, ways of inducing managers into co-operative ways of working need to be found - perhaps ICA could initiate the establishment of a top ranking international co-operative business school. (involving leading university

business schools but guided by people that truly understand co-operatives)

2. ***Developing leaders that make things happen.*** The development of member-leaders is also fundamental to the success of co-operatives. Any initiatives to develop professional managers need to be balanced by programmes for members' leaders, especially for the larger and more complex enterprises. The same international co-operative business school proposed above could help perform this function.
3. ***Securing a positive public policy framework.*** Getting national and supra-state governments to provide the right kind of legislation, taxation policies, competition law, and education systems. In most case the key demand is for at least equal treatment when compared with investor-driven businesses. The provision of training in lobbying skills could also be relevant.
4. ***Accessing finance.*** Finance is an international commodity, and if co-operatives are to access finance beyond that provided by their members then they need to be properly organised to do so. Work needs to be done in developing the right kind of financial instruments that can provide capital at an acceptable cost, and which can also be used to prevent damaging capital outflows. Detailed work and negotiations are required to produce the mechanisms required that provide adequate finance without losing member control.
5. ***Measuring performance and accounting for co-operative benefits.*** The absence of internationally recognised accounting standards and standards of reporting practice (SORP), that are specifically designed for co-operatives, seriously disadvantages co-operatives in many ways. The establishment of accounting and reporting standards which have international credibility would substantially assist co-operatives in comparing performance, attracting finance, developing an international pool of co-operative managers, and strengthening member control.
6. ***Providing practical help.*** It has to be acknowledged that many co-operatives have, to varying degrees, lost their way. Having become enterprises that are no longer based upon *co-operation* or driven to serve their members. The changes required to bring such enterprises back to their purpose can be substantial, and in most cases requiring some external assistance. The ICA can facilitate this assistance. In some cases such assistance will be aid-financed, while in others the co-operatives themselves can self-fund the help that they need. The establishment of a register of specialists able to provide such assistance could be useful in helping co-operatives secure the quality of help they need.

### **Through sector specific bodies -**

7. ***Lowering transaction costs and increasing member benefits.*** Many of the best benefits of *co-operation* arise because co-operatives are able to significantly reduce transaction costs for their members. There needs to be a process of constant reassessment of member benefits and an unremitting drive to lower transaction costs if co-operatives are to remain successful. One of the main tasks of the ICA sector specific organisations should be to address this issue. Trade association representational

functions and political positioning can, in most cases, be left to other organisations that exist for this specific purpose.

8. ***Achieving sufficient scale of operations to be effective.*** The sector specific bodies can have an important role in developing collaboration, joint ventures and brokering integration, all with the object of securing a sufficient scale to maximise member benefits. A special unit may be established within ICA to work both within the framework of the sector specific organisations and across sectors, in order to facilitate new business relationships. This will not be a function requiring the arrangement of conferences or workshops, but one that works by quietly and steadily helping to negotiate the desired outcomes.
9. ***Expanding expertise.*** There are many activities of co-operatives in which the science and technology is changing rapidly. Keeping pace is a major problem. The sharing of expertise, also research and development costs, is in many cases the only feasible option. Here again sector specific organisations can have an important role.
10. ***Building an international capacity.*** In some cases only an international enterprise can succeed in delivering the benefits required. The current positive experiences of international trading bodies needs to be examined and the lessons learned, considered by other sector specific bodies.

### **The role of specialised organisations**

From the list of issues set out above, items No. 7 - 10 are identified as being within the ambit of sector specific organisations. It is suggested that these matters in fact be the most important tasks for these bodies. Because the work of sector specific organisations is so closely tied to the overall purpose of ICA it appears to be most important that their functions be totally integrated with the ICA as a single entity.

The idea that Specialised Bodies are semi-autonomous has obvious dangers and the potential to fragment the purpose of the ICA. Provided that common objectives can be agreed and that the work of such specialist bodies is truly complementary to the mainstream activities of ICA, then the participating members will be able to manage their own agenda.

Those sector bodies that have no permanent secretariat need to address the issue of institutional continuity. A valid economic basis appears to be essential if sector bodies are to achieve their potential to support their affiliates.

### **Membership of specialised organisations**

The fact that non-ICA members may participate in ICA Specialised Bodies has to be of concern. As any membership organisation surely knows, giving away the benefits of membership ultimately undermines the organisation (the problem of "free-riders"). The current position needs to be reviewed with the objective of securing agreement to the principle that participation in the sector specific bodies of ICA be open only to members or associate members. It is fully appreciated that such a change cannot be instituted overnight but that a gradual process of encouraging ICA membership needs to be pursued in the cause of both fairness and economic necessity.

### **How best to deliver other services**

If any or all of the other services suggested above are to be provided (No. 1- 6 above), then these would need to be provided within the global and regional organisational framework of ICA. Proposals as to how this may be done will be considered at the next stage of this review.

### Limited vision

It is essential that the ICA leadership do not lose sight of the fact that the majority of people involved in co-operatives have their interest quite narrowly focused upon their own needs and those of the particular form of co-operative with which they are associated. Constant efforts are required to sustain a broader vision of *co-operation* as an organisational concept, and of the advantages that can be gained from learning from different forms and types of co-operative activity. The advantages of exchanging experience and the cross-fertilisation of ideas between sectors and across national and regional boundaries is one of the most significant benefits available from ICA membership.

### A world economic forum

The idea of establishing a world economic co-operative forum has been floated; this would be intended to provide a meeting place for the chief executives of the world's largest co-operatives. The concept of developing direct contacts between top level co-operative business leaders is worthy of consideration, however, this type of activity needs careful examination. Because, if very busy chief executives are to be persuaded to participate then they would expect it to result in tangible benefits accruing to their organisations. If this concept were to be first developed on a sector specific basis then the development of a worthwhile agenda for a cross-sector gathering could, in due course, evolve.

### Re-assessing the membership strategy

We have already considered some of the issues relating to membership. One strategic issue to be settled is: - will ICA continue to primarily serve *socio-economic (mutual)* co-operatives or, will it in future give more recognition to *business* co-operatives? Co-operatives of businesses are a fast growing sector, and many former socio-economic co-operatives in the agricultural sector have now become business co-operatives, having an almost total commitment to economic objectives. Where any social objects are mentioned they are entirely coincidental.

It could be argued that an alliance between organisations of small to medium-sized enterprises (SMEs) and the more traditional form of co-operative is now appropriate, given the common interest in both forms of co-operative seeking to counter-balance the power of multinational mega-businesses. However, it does need to be appreciated that if ICA is to become attractive to a wider range of co-operatives then it must offer services that are relevant to them.

Another membership policy issue to be decided concerns the extent to which co-operatives that are not third level/apex bodies will be accepted. Also, the circumstances under which associate membership is appropriate, and the rights that will be enjoyed by associates.

### A common identity



It is assumed that at least all full members will be able to establish their credentials as genuine co-operatives using the ICA statement of identity as the basis of any assessment. However, it needs to be appreciated that if business co-operatives are to be accepted as legitimate then a more liberal interpretation of the identity criteria shall need to be applied. For example, voting may not always be on a "one person one vote" basis, but perhaps according to the volume of activity conducted with the co-operative. If business co-operation is to be fully embraced within the ambit of ICA then a significant cultural change will also become necessary.

### **The dangers of providing a false legitimacy**

It will probably be necessary to regularly review all members against the co-operative identity criteria, because it can be exceedingly damaging to true co-operatives if the ICA appears to legitimise bodies that are not genuine co-operatives or have ceased to be genuine. A decision to encourage the participation of a broad spectrum of forms and type of co-operatives does not in any way imply the acceptance of any organisation that is not a true co-operative.

### **Some conclusions at this stage:**

- 1. ICA now needs to focus on providing those services that members perceive as being in tune with their real priorities. We need to test everything that ICA does against "value for money" criteria. Emphasising and channelling its limited resources into those things that bring real benefit (both tangible and intangible) to ICA members, at the same time dropping those things that do not pass this test..*
- 2. Globally, ICA should concentrate on addressing, in practical ways, those matters that are of real concern to most co-operatives world-wide.*
- 3. Sector specific organisations should establish clear objectives including that they concentrate on helping ICA members to: lower transaction costs and to increase member benefits, achieve sufficient scale of operations so as to be effective, build their members' technical and management capacity and develop international trading networks. Sector bodies also need to assess whether or not they should be integrated with other ICA bodies. Sector bodies ought not to be satellites of ICA, but instead an integral part of the total organisation. Those sector specific bodies that are not yet providing significant support to their ICA members need to be assisted in finding ways of improving their impact.*

## ICA - ORGANISATIONAL REVIEW

4. *As soon as practicable, but without damaging existing relationships, all members of sector specific bodies should either become full members or associates of ICA.*
5. *The other Specialised Bodies (which are essentially networks of organisations or individuals with a specialist interest in a particular aspect of co-operative endeavour) should be run on the basis of their being self-financing and their activities becoming more closely related to the global, regional, and sector specific priorities of ICA.*
6. *The overall ICA membership strategy should be revised to take account of all of the points previously highlighted in this report.*

### **The key issues: (Questions which need your response)**

**Do you agree with the conclusions set out above, if not what alternative approaches would you advocate?**

<b>Step Four</b>
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## How should ICA be Organised?

### An organisation to deliver the ICA purpose

The type of organisation needed by ICA in the future will be dependent upon the functions it is to fulfil in pursuit of its purpose.

#### A three dimensional structure

The shape of the organisation will always be influenced by the fact that there are essentially three dimensions to its work. Namely, fully international or global activities, regional and sub-regional activities, and those that are sector specific.

#### A global role

The fully international activities, having a global coverage, can be expected to be directly co-ordinated by the ICA Board and the organs reporting directly to it. The best method of organising global activities will be one that produces the most positive results and at the same time minimises both cost and bureaucracy.

#### Regional activities

Clearly there are issues that are best dealt with at a regional level, or in some cases at a sub-regional level. The full value of ICA rests in its international dimension, so that if activities that are best conducted internationally are only dealt with on a regionalist basis then this will be most unfortunate. Travel costs are naturally a major factor in participating in the work of ICA, but increasing access to global communications systems, such as teleconferencing should, in future allow more activities to be undertaken on a global basis.

There seems little point in regional bodies simply replicating global activities at a regional level. Instead, the aim should be to deal globally with all issues that have a global dimension. Focusing regional bodies onto issues that are specific to a region or sub-region. It would seem best if regions are not seen as independent empires, but instead as co-ordinators at the hub of a communications network that carry forward the work of a global ICA into the regions. The balance between regions in terms of their financial resources, also needs to be reconsidered.

#### A role for country/project offices

The current pragmatic approach to the establishment of ICA country/project offices seems to be appropriate, so long as they do not over fragment resources or produce any unnecessary bureaucracy.

#### Sector/technical activities

Sector or technical grouping as instanced by the current Agriculture, Banking, Consumers', and Insurance specialised bodies, are without doubt most relevant, and need to be strengthened. The sector and technical groupings

should nevertheless be subject to review on a regular basis so as to determine their current relevance. For example, in today's world would not a financial services group be more appropriate than separate banking and insurance bodies?

A common set of basic modalities for the operation of all sector groups could have the advantage of both strengthening co-ordination and tying them more closely within the ICA structure.

Some of the current Specialised Bodies are not sector specific and these ought to be treated differently from the sector bodies. Other Specialised Bodies, such as Research and Communication are essentially networks of specialists and ought to be treated as such within the ICA system and hence designated as networks or associations. Given its importance to most co-operatives why do we not have an international association of co-operative finance directors? Also, the Women's Committee could perhaps become more task orientated.

### **The concept of the *Commission*** *controversial*

A new approach whereby ICA sets-up "Commissions", may provide an appropriate arrangement to deal with many of the most important issues that are of concern across regions and sectors alike. Commissions could be established through the direction of the ICA Board to address specific issues or undertake specific tasks. The members of such a Commission can be appointed by the Board, or commissioners may be nominated or sponsored by member organisations. The aim will be to get the best available people to address those matters that fall within the remit of each Commission.

The Commissions will be task orientated bodies, each with very precise terms of reference, as distinct from being representative bodies. They will not be mere arrangers of conferences, but groups of people charged with finding solutions to real problems. They will be expected to deliver sound guidance which can produce practical results, that can be adopted within the day-to-day working of co-operatives.

Commissions could be set up to address all of those global issues identified at stage 3 of this review, namely:

- Improving the systems of governance and the quality of management.
- Developing leaders that make things happen.
- Securing a positive public policy framework.
- Accessing finance.
- Measuring performance and accounting for co-operative benefits.

Commissions may also be required to address the matter of how to better involve young members of co-operatives and other such important issues that will surely arise in the future.

### **New functions for the secretariat.**

Some new tasks will be best handled directly by the Secretariat, which in some instances will be directly linked to similar activities within regional offices; for example: establishing a business development unit, setting up a register of specialists and recommended service providers (e.g. social and

environmental auditors) and facilitating the proposed international co-operative business school.

### **The ICA Board**

The present size of the ICA Board mitigates against effective decision-making. The cost and logistics of such a large board meeting also potentially limits the frequency and length of its meetings. The current ICA Board is essentially a representative body rather than task orientated. These factors must have bearing upon the quality of its decision-making. The full Board needs to concentrate on the task of establishing the broad direction to be followed by ICA; delegating the policy-making functions to a smaller group. This could perhaps be an executive committee or a president's committee. This smaller group could; for example, comprise the regional vice-presidents and a limited number of others who are able to make a specific contribution.

The wider Board could become more of a strategy forum, maintaining an overview of ICA activities, setting the broad direction for the organisation, and monitoring progress. The members of this wider Board would also function as "ambassadors" for ICA, representing co-operation internationally and influencing governments and international organisations to accept the important role that co-operatives have to play in the world.

Future access to global communications systems, such as teleconferencing, should, allow for more consultation to be undertaken on a global basis without the necessity of travel. When the ICA Board does meet, it should be for a two day meeting which can allow for in-depth consideration of key issues, and it should also provide the opportunity to meet with the leaders from the Specialised Bodies on a regular basis.

### **The Secretariat**

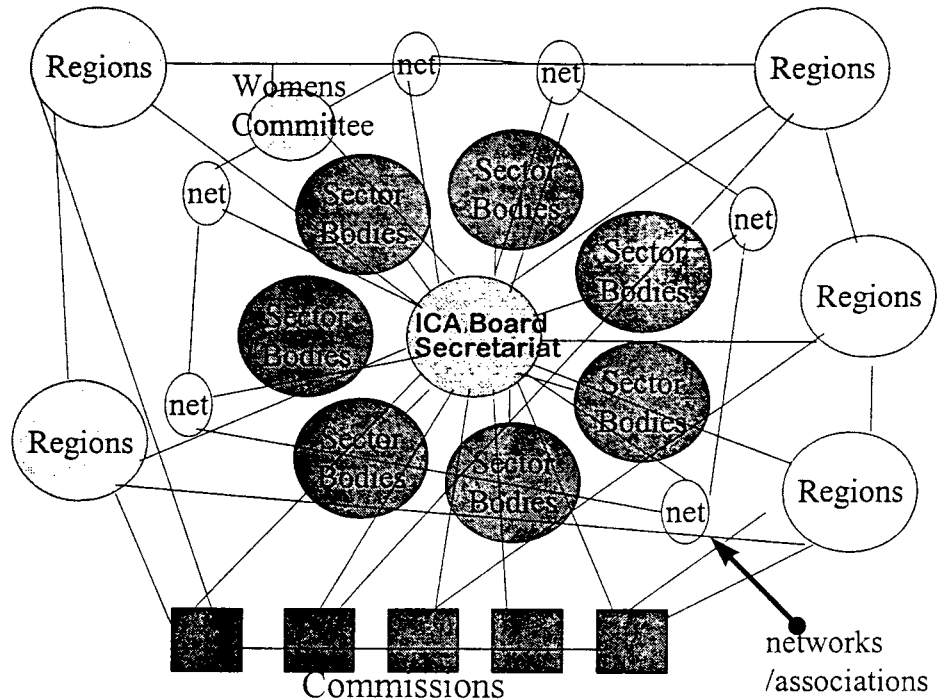
Unless the resources available to the Secretariat were to be considerably increased, then its main functions can expect to be limited to servicing committees and liaising with members. A significant part of the work ICA's activities will continue to be carried out by member organisations, through the sector bodies, and in future, through the various new commissions and technical associations/networks. Tasks within the Secretariat will need to be reallocated in light of whatever changes are agreed to be made to the functions of ICA.

### **Refining the organisational structure**

The way in which the current ICA organisational structure should develop in the future could be described as evolutionary. In practice we already operate the three dimensional structure referred to earlier; however, we need to strengthen many of the component parts and substantially improve the levels of interaction between them. This includes: all regions, the sector specific bodies, also the specialist networks and associations; all of which need to be much more closely linked to the ICA Board, the Secretariat and the new Commissions. Building upon the excellent work that has already started in this field, significantly improved levels of communication will need to be developed between all of the players within this galaxy of ICA bodies. Here,

once again the advancing capacity of electronic communication systems, including video conferencing, opens up many new possibilities.

All of those involved in the entire range of bodies that comprise the ICA family need to fully comprehend that they are not only expected to communicate and interact with all of the other bodies that make up the family, but that they have a duty to do so. If such a cultural shift can be achieved then the fullest benefit from ICA membership will start to accrue to all members. The ICA organisational structure can be likened to a three dimensional web, in fact it could in modern parlance be described as “ **the co-operative world-wide-web**”. This can be illustrated by the following chart:



Please note this diagram would better describe the organisation if it were three dimensional.

### A big task for the ICA Board

The task of giving policy direction to, and co-ordinating the activities of this complex structure should not be underestimated, and requires that the ICA Board becomes very focused in terms of how they carry out the functions. The clarification of their role as a Board member, based upon the powers and duties defined within the ICA rules, by means of an agreed job description would seem to be essential.

### Some conclusions at this stage:

1. *The role of Regional Assemblies needs to be clarified to avoid the possibility that ICA could become a fragmented organisation. A clear set of guidelines on how they should carry out their functions and how they should relate to ICA global and sector specific bodies should be agreed.*
2. *Top level decision-making within ICA needs to be improved by the establishment of a much smaller president's committee to deal with issues on a continuing basis. The wider Board needs to become more of a strategy forum, a co-ordinating body, and Board members should take on more of an ambassadorial role. Ways of facilitating the decision-*

*making processes using modern technology, including teleconferencing, should be now explored.*

3. *“Commissions” should be established to deal with those issues that are of global concern to co-operatives, their task will be to find practical solutions and to help implement them. These should not be representative bodies (although they will need to contain a good mix of people with wide and varied experience; encompassing all types of co-operatives and geographical areas), they should comprise the best brains able to address the issue.*
4. *Sector specific bodies, dealing with technical issues of concern to major co-operative sectors are clearly significant arms of the ICA and should be part of the main structure of ICA. Maximum attention needs to be given to strengthening those sectors that do not yet have a fully effective body able to implement a programme of support to their members and associates.*
5. *The Women’s Committee has a special role within the ICA family of organisations and this needs to be recognised. As a committee it needs to work in close association both with regional and sector specific bodies. It may be that a special Commission will also be required to work on addressing some of the specific aspects of gender issues.*
6. *Other existing ICA specialist bodies will need to be reoriented to become associations (or networks) of specialists. This is by no means a matter of down grading these bodies but simply recognising that they have a quite different, but nevertheless important, role to that of a sector specific body. These associations, such as; the existing Communications, HRD, and Research committees need to work in close harmony with the sector specific bodies and in the regions, making available their specialist capabilities. The range of associations /networks could be expanded to bring in other professional groupings, for example - finance directors and legal specialists.*
7. *The Secretariat will need to be reorganised to match the new structure.*

### **The key issues: (Questions which need your response)**

1. **Do you accept that the main focus of ICA activities should become “helping co-operatives to succeed”?** ( This does not mean that other important tasks, such as representation and advocacy, will be dropped but it does mean a significant shift in emphasis.)
2. **Do you agree with the conclusions set out above, if not what alternative approaches would you suggest?**

<b>Step Five</b>
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## **What Changes will be Required?**

### **From where we are, to where we are going**

Once we are clear as to the nature of the organisation which will best deliver ICA's purpose, we can set about the process of implementing any necessary changes. A great deal of care will be required, because the core staff is few in number and their continuing commitment is essential. ICA also depends upon the support freely provided by many of its members and their staff too.

### **Much has been achieved in the recent past**

It should not be forgotten that major changes have taken place in the organisation over the last decade and much has been achieved in terms of making ICA a much more efficient and effective organisation. Whatever changes as may be agreed for the future ought to be seen as building on the foundations of that work, it will not be a case of bulldozing and rebuilding.

### **The concepts behind any new strategy need to be well understood**

Whatever changes are finally agreed, it will be critical that there exists a clear set of concepts which will form the basis of the changes to be introduced. For example, if the future basis of operating is to be based on "helping co-operatives to succeed" then this could provide a framework within which all actions can be tested and substantiated.

### **Meeting the costs of any new arrangements**

It cannot be envisaged that substantial increases in the levels of subscriptions would be willingly accepted. The flow of income may be improved if a general increase was accepted and discounts for prompt payment offered rather than the only penalties for late payment; a combination of the "carrot and the stick" may bring better results.

Increased numbers of members could be envisaged if all those who can qualify for membership join ICA on the basis of whatever new criteria may be established. Increased income may also arise if a firmer line is taken on participation - all those benefiting from ICA should be contributing - at the very least as associate members; and as soon as possible this should include all members of sector-specific organisations and technical associations/networks.

The current limits set within the ICA rules with regard to the total fee payment from a single country may need to be reviewed, as this prevents ICA from benefiting from increased fee income when new co-operative sectors join ICA.

A campaign could be mounted to secure the sponsorship of ICA subscriptions for members in poorer countries through aid agencies and other bodies. The more ICA is perceived as an organisation that provides access to practical help and assistance, then the more interested funding agencies will become in providing this kind of support.



The main costs of any new activities; for example, those that may arise from the proposed Commissions, will be met by the participating member organisations. They will only be participating if they are of the belief that they will get real value from their involvement.

### **Securing sponsorship for activities**

The possibility of securing sponsorship for specific activities should be more actively explored, subject to the proviso that conflicts of interest must be avoided.

### **Taking on new functions and dropping some of the old**

The changes envisaged will require a shift in focus and a degree of cultural change. It will not be an option simply to add new functions to those existing, some functions will need to be curtailed or even dropped. It is not a case of saying that any task currently consuming resources is not important, but it is a matter of deciding whether limited resource could be better allocated to activities that are judged to be more important. For example:

- Less time and energy may need to be spent on organising conferences and; for example, more on supporting the Commissions that have specific tasks to complete.
- Less time and energy spent on issuing official statements and more on negotiating with those who could form new global groupings, or more on those able to design and issue new financial instruments on behalf of co-operatives.
- Less time and energy to be spent on servicing associations/ networks (which need to become self-financing if they are not already so), instead helping to establish a high level international co-operative business school, and maintaining a register of specialists who are qualified by experience and able to provide practical assistance to those co-operatives that need it.
- Some of the existing advisory bodies and sub-committees may be replaced by new task-focused Commissions.

### **A business development function**

The possibility of having a small business development unit that can provide the services of skilled business negotiators could be explored. Such a unit would work closely with equivalent units within the regions and the sector bodies in helping to establish new business relationships between co-operatives. Preliminary work on the use of the internet-based World Wide Web to build inter-co-operative business has already commenced and this now needs to be expanded. This expertise, developed by ICA may also be a service which members may wish to purchase.

There appears to be a misunderstanding in some quarters, where becoming more efficient or more businesslike is equated with becoming more like investor-businesses. This should not be the case, but it does mean that co-operatives and all of their institutions need to be effective managers of their

resources; this is the only way that they can deliver real benefits to their members.

### **Development assistance**

The development assistance function could be expected to continue but with all main activities routed through regional and project offices. The global functions could concentrate on accessing skilled development personnel and mobilising resources from funding agencies and member organisations. It needs to be recognised that most development agencies are concerned with alleviating the worst effects of poverty, and as a result they will be primarily interested in co-operatives as self-help organisations that can assist them to achieve their own organisational objectives.

### **Liaison with the UN and NGOs.**

Liaison with United Nations organisations is currently a separate function within the Secretariat. Perhaps the location of ICA head offices in a city with a strong UN presence influences the level of emphasis placed on these activities. It seems important that the results of UN liaison should include helping to access UN agency funds for development. A closer integration between the UN liaison function and those of development assistance should be explored. The significance of the UN agencies to co-operatives varies widely between countries; for example, they have very little direct impact upon most co-operatives in industrialised countries, therefore, the main beneficiaries of UN activities may be assumed to be developing countries. The best way of carrying out this function in the future needs to be considered, because of the important role that the ICA President has to take in this work, a closer linkage of functions could also be considered.

Clearly there are many organisations with which co-operatives share common interests and it is useful to develop and maintain good relations with these bodies. However, such activities must result in concrete outcomes and their value assessed against agreed objectives.

### **Other activities**

All activities need to be assessed according to the "value for money" criteria referred to earlier. It is important that parasitic tendencies are not encouraged. Individual co-operatives will fully appreciate that there are always those who do not directly contribute to the effectiveness of the co-operative enterprise yet seek to benefit from it. The resources of ICA are too limited to be consumed in such activities, therefore the "value for money" test needs to be applied with vigour.

### **The Development Trust**

The necessity for the entire ICA Board to be the Trustees of the ICA Development Trust should be re-examined; a much smaller group may suffice.

### **The communications function - communicating with who?**

Communications within a global organisation such as ICA is a critical function. The priority for such a function has to be facilitating communications within the organisation and with the membership.

The task of trying to convince the world of the theoretical advantages of co-operatives is one that could consume an infinite budget. Therefore, it is essential that very clear objectives for promotional activities are established: the target audience is absolutely clear and that resultant benefits are measured. It should never be forgotten that most individuals inevitably make up their minds about the value of co-operatives based on their direct experience of dealing with them, and no amount of publicity will convince them if these co-operatives do not in fact perform.

A great deal of important innovative work has and is continuing to be undertaken by the communications unit and this needs to be expanded. However, the extent to which the non-specific and generalised exchange of information benefits members, needs to be reviewed. Low cost publications which are topic or sector specific, and access to electronic sources of providing specific information on demand, may directly benefit member organisations. Another important task (where work has already started) is directly assisting member organisations to improve their own communications strategies and providing practical help with implementation.

“Education” is not regarded as a fashionable activity in some co-operative circles, however, without doubt there is a need for all those involved in membership-based organisations to become and remain aware of their organisation’s purpose and to be committed to it. ICA bodies, with help from the communications committee and the HRD committee, must offer more help in developing effective strategies in this area of activity, most probably through regional organisations.

Revisiting the communications strategy in the light of any changes in the functions of ICA will be necessary.

### **The Audit and Control Committee**

The Audit and Control Committee has undertaken a most important task since its establishment and it will be vital that this continues. Likewise, the Secretariat’s administration functions can be regarded as essential.

### **Management and staffing structure**

The very nature of the work of the ICA, which involves the servicing of many committees and many administrative functions, demands the skills offered by high grade international civil servants. The ICA is most fortunate to have a skilled and dedicated workforce. No doubt some reallocation of tasks will be required to implement the changes envisaged. There may also, in future, be the need for more staff with a background in co-operative business.

The secondment of staff from member organisations can be mutually beneficial to both the ICA and to the providing member’s staff development. It is; however, necessary to ensure that the individual seconded is fully able to do the job, and that the Director-General retains the power of selection. Whenever practical members should be encouraged to sponsor additional posts if they cannot be funded from the regular budget. The same applies in respect of regional staff.

### **Limiting the bureaucratic burden**

Maintaining a flexible framework with the minimum of bureaucratic constraints should be the objective. In so far as it is possible, many of the necessary changes should be implemented as soon as it is reasonable to do so. If

eventually rule changes are needed then this should be a question of catching up with practice rather than awaiting the formality of a rule change.

### **Some conclusions at this stage:**

1. *The concepts behind the changes in the way that ICA is to be reorganised need to be absolutely clear, and communicated to all concerned.*
2. *The way in which the activities are financed in the future needs to be settled. This will mean, members paying more directly for the services that they wish to benefit from. ICA and its members should also be seeking sponsorship for both the subscriptions of those members that are not yet able to pay for the services they need, as well as for specific ICA events and activities. More members and associates should be recruited so that the costs of essential services can be more widely shared. Technical associations/networks of specialists should, in general, be required to be self-financing.*
3. *It needs to be accepted that if ICA is to take on new functions then it will either have to reduce the resources spent on some existing functions or even drop them completely if members are not prepared to pay for them.*
4. *All existing functions shall need to be reviewed and consideration given as to how any new functions will be supported both by the Secretariat and by regional offices. Some of the new functions which are likely to need support will include:*
  - *new Commissions*
  - *business development functions*
  - *a register of specialists*
  - *a high level international co-operative business school. (this could be envisaged as a multi-location activity conducted using the latest communications technology)*
5. *The existing staffing structure will need to be reviewed so as to ensure that it matches ICA's future needs.*
6. *Although ICA rule changes may in due course be required to fully implement some of the changes envisaged, we should allow the rules to catch-up with the new arrangements rather than awaiting on new rules before implementing urgently required changes to the organisation.*

### **The key issues: (Questions which need your response)**

1. **Do you accept the need to review the way in which ICA's limited resources are currently allocated?**
2. **Do you agree that expanding income from an increased membership base (including associates) is a priority if we are to pay for the services that are really needed?**



## Step Six

# An Action Plan for Change

## What needs to be done now

The next step involves our summarising the feedback we receive from ICA Board members, Regional Councils and the Specialised Bodies, also consultations will be held with senior ICA staff members. Based upon this information received, a "vision statement" (not to be confused with a mission statement) and an action plan will be prepared. This will again be reviewed by the ICA Board, after which a final version will be prepared for presentation at our Quebec Congress, in August 1999.

In addition to the vision statement and action plan, a background document (*Co-operation in a New Century*), will be prepared. This shall be designed to help all co-operatives to appreciate the changing circumstances in which they are to operate, the ways in which the ICA is seeking to respond to these changes, and how the changes envisaged will help it better serve its members.

At the same time, practical steps will be taken to implement the steps outlined in the agreed action plan so that the impact of these changes can be appreciated by member organisations as soon as possible.

## Presenting our vision of the future

An important step in developing the organisation will be the preparation of our vision statement. Based upon the responses to this consultation document we shall construct a picture of the ICA of the future. We shall set out a clear vision of what we need to become if we are to fulfil our purpose in the future. Our action plan will set out the steps that we will need to take if we are to achieve our vision.

Perhaps we could envisage -

- An ICA that has a strong regional basis and sector organisations that truly facilitate the development of affiliates in meeting the challenges from global investor businesses. And, when required, establishing strategic alliances that bring economic power to *grassroots* co-operative members.
- An ICA operating through a closely integrated network of bodies, that interact on a continuing basis, with a range of associations of specialists able to provide practical technical help.
- Globally, the results of the work of ICA Commissions providing relevant approaches to all significant problems, a resource when there is a need to influence governments, and a point of access for high level leadership development and the skills of international specialists.
- An ICA Board that co-ordinates policy and the activities of a world-wide-web of co-operative bodies that all exist to strengthen the capacity of co-operative organisations.
- In short: ICA will become a unique framework for an international "learning organisation", that facilitates and supports the exchange of experience,

the adoption of “best practice”, the development of creative solutions to problems and innovative responses to opportunities, on behalf of co-operatives world-wide.

### **The ICA Board as the steering group**

The ICA Board will itself act as a steering group to oversee the implementation of the changes agreed. It will delegate some specific tasks to working parties as may be required.

### **Working parties**

Working parties may be required to deal with some of the specific aspects of the proposals and to negotiate changes, separate working parties may be needed to cover:

- ***The reallocation of functions*** - For example, to deal with issues relating to: the functions of Specialised Bodies and specialised associations /networks, the tasks to be covered by new Commissions, getting sector specific bodies to take up the new tasks which should, in future, become their priority areas of work, etc.
- ***The establishment of new functions*** -Preparing detailed terms of reference for new functions and for progressing their establishment; for example, new Commissions to work on:
  - ⇒ Organisation, governance and management
  - ⇒ Public policy, including legislation
  - ⇒ Accessing finance
  - ⇒ Accounting and reporting standards
- ***Changes at the regional levels*** - The implementation of changes at the regional level will need to be negotiated, no doubt by working groups established under the chairmanship of the regional vice-presidents.
- ***Changes at the Secretariat*** - Working through the Director-General a working group may be required to assist the Secretariat to realign to a new portfolio of functions.

### **Repositioning**

The task of repositioning the ICA to take account of its revised functions, in terms of how it is perceived both by its members and by those organisations with which it deals, shall need to be undertaken. The communication unit of ICA, with appropriate assistance from the Communications Committee and others, can be called upon to address this matter.

### **Cultural change**

It is to be appreciated that the cultural changes which shall need to take place throughout the entire organisation will form the real basis of the change process. To achieve the required shift in focus on the part of all who are involved with the myriad of sub-organisations that comprise the ICA family, this will call for a continuing commitment to the change process over many months. Leaders at all levels, in all functions, shall need to play their part in ensuring that ICA does in fact achieve the future that is now to be mapped out for it.

### **Some conclusions:**

1. *The ICA Board will itself act as the steering group to drive forward the programme of change now envisaged.*
2. *Temporary working parties will also be needed to deal with some specific aspects of the changes.*
3. *The priority topics will need to be established and terms of reference drawn-up for the proposed new Commissions.*
4. *Negotiations with regional boards and specialised bodies need to be conducted so that the changes planned can move ahead with the full support of all concerned.*
5. *Attention needs to be given to repositioning ICA to reflect its new role in the world.*

### **The key issues: (Questions which need your response)**

**What is your vision of ICA's future, what is it that the ICA will be doing to better serve its members in the next decade or so, and how will it be best organised to do this?**



<b>APPENDIX</b>
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## Summary of Responses to the Questionnaire

The questionnaires completed by ICA Board members and Chairpersons of Specialist Bodies have been analysed. The responses frequently covered more than one question, and included suggestions for the resolution of problems intertwined with the identification of problems. As could be anticipated, some of the responses represent conflicting opinions. Therefore, it has been decided to summarise the most significant matters identified by respondents under a limited number of headings. A very rough priority ranking has been given to the various points raised according to the frequency of each issue being mentioned by the various respondents.

Priority Ranking	<b>GENERAL SITUATION The Problems Facing Co-operatives - similar main issues for regions and countries.</b>
1	Co-operatives not sufficiently recognised by governments and international bodies.
2	Co-operatives not seen to be significantly different from other forms of business, generally having a weak image.
3	Intensifying global competition, increasing attacks on co-operatives by competitors.
4	Changes in values away from mutual concerns to the more selfish, and education not counteracting this trend. (de-mutualisation)
5	Lack of management competence.
6	Insufficient capital investment in developing new business on the part of co-operatives.
7	Lack of modern co-operative legislation in many countries
8	Need for large scale organisations to compete which conflicts with the scale needed for effective democratic control.
9	Insufficient attention given to developing people at all levels.
10	Unwillingness of co-operatives to work together at all levels, including the global level.
11	Deregulation and withdrawal of governmental support
12	Failure to differentiate between enterprise co-operatives and those with social objectives.

Priority Ranking	ISSUES AFFECTING SPECIFIC CO-OPERATIVE SECTORS
1.	<b>Agriculture:</b> <ul style="list-style-type: none"> <li>• World Trade Organisation policies</li> <li>• ageing membership</li> <li>• lack of scale of production</li> <li>• management not responding to change</li> <li>• under-financed</li> <li>• food safety issues</li> </ul>
2	<b>Consumer:</b> <ul style="list-style-type: none"> <li>• competition from multinational companies</li> <li>• need to create larger units</li> <li>• lack of management skills</li> <li>• lack of support for developing countries</li> <li>• decline/failure of co-operatives in many countries</li> <li>• poor image</li> </ul>
3	<b>Housing:</b> <ul style="list-style-type: none"> <li>• need for housing to be recognised as an international issue where co-operative solutions are relevant</li> <li>• legacy of misunderstanding of the nature of co-operatives, especially in former communist countries.</li> </ul>
4	<b>Health:</b> <ul style="list-style-type: none"> <li>• need to encourage change over to co-operative structures</li> <li>• democratisation of health care provision needs wider acceptance</li> <li>• links with consumer sector needed</li> </ul>
5	<b>Insurance and Banking (Financial Services):</b> <ul style="list-style-type: none"> <li>• international mergers and acquisitions, globalisation of the industry</li> <li>• lack of access to capital</li> <li>• Lack of liquidity (not only capitalisation)</li> <li>• Accounting systems do not take into consideration the co-operative difference.</li> <li>• closer relations between all financial services (also in some countries linked to other consumer services)</li> </ul>
6	<b>Fisheries:</b> <ul style="list-style-type: none"> <li>• over exploitation of fish stocks</li> <li>• pollution</li> <li>• lack of strategic policy by governments/regional authorities</li> <li>• unwillingness of co-operatives to delegate powers to federal bodies.</li> </ul>
7	<b>Workers':</b> <ul style="list-style-type: none"> <li>• low levels of collaboration at all levels</li> <li>• needing specialist networks</li> <li>• lack of innovation</li> <li>• unable to access markets</li> <li>• decline in public support</li> </ul>

Priority Ranking	<p style="text-align: center;"><b>THE STRENGTHS AND WEAKNESS OF ICA</b>  <b>ICA's role, activities and other issues.</b></p>
1	<p><b>The main strength of ICA:</b>  Is its strong reputation as an authority on co-operative matters - especially as the guardian of Co-operative Principles. Also, as an independent NGO (recognised by the UN) it can exercise a positive influence on some governments.</p>
2	<p>The fact that ICA is a multi-sector organisation is also seen as a strength. The basic organisation structure (regional and sectorial) is seen to be sound.</p>
3	<p>The provision of co-operative networking and the emphasis on co-operative solidarity were regarded as being among the main benefits of membership.</p>
4	<p><b>The weaknesses identified include:</b></p> <ul style="list-style-type: none"> <li>• not able to influence international institutions</li> <li>• lack of visibility</li> <li>• not all major co-operatives are ICA members</li> <li>• weak relations with members, big gap between ICA and base co-operative members</li> <li>• the benefits of membership need promoting</li> <li>• more like a club of friends</li> <li>• too passive, lacks capacity to innovate</li> <li>• no clear business plan</li> <li>• needs to set priorities</li> <li>• better information systems needed</li> <li>• weak co-operation between sectors</li> <li>• in danger of becoming just a federation of the Specialised Bodies</li> </ul>
5	<p><b>ICA should/could in future:</b></p> <ul style="list-style-type: none"> <li>• spend more effort on spreading successful experience between co-operatives</li> <li>• spend less time on philosophical matters and more on practical action</li> <li>• not act as it has done in the past but instead take on a much more proactive role</li> <li>• concentrate on strengthening each sector so as to help them to survive (requiring staffing to match the need for specialist advice), concentrating on sectors and not spending too much time on trying to secure integration</li> <li>• give attention to addressing co-operative weaknesses</li> <li>• provide help with political lobbying</li> <li>• help mount campaigns of co-operative promotion</li> <li>• become a centre for information and co-operative databases</li> <li>• promote relations with schools and universities</li> <li>• continue the role of providing guidance at a global level</li> <li>• identify common targets</li> <li>• help set up specific business links and joint business activities</li> <li>• anticipate members needs and help develop the policies needed</li> <li>• arbitrate in the case of disputes between co-operatives</li> <li>• attract younger people</li> </ul>

## ICA - ORGANISATIONAL REVIEW

6	<p><b>Organisationally, ICA could benefit from:</b></p> <ul style="list-style-type: none"> <li>• closer working between regional vice-presidents</li> <li>• revisiting the structure of regions and specialised bodies</li> </ul>
7	<p><b>The ICA Board:</b></p> <ul style="list-style-type: none"> <li>• benefits from the fact that it includes representatives from all sectors and regions, also from the political connections of many Board members</li> <li>• their responsibilities outside of meetings should be increased</li> <li>• is not as effective as it could be, because:             <ul style="list-style-type: none"> <li>⇒ it does not monitor implementation of its previous decisions</li> <li>⇒ has difficulty of communications</li> <li>⇒ is too large to be effective</li> <li>⇒ the lapse of time between meetings</li> <li>⇒ there are not enough specific projects</li> <li>⇒ it is not proactive</li> <li>⇒ of the high cost of participation</li> <li>⇒ it deals with too much detail</li> <li>⇒ it does not have an overview ( members too concerned about their own region and sector)</li> <li>⇒ it is not sufficiently high profile</li> <li>⇒ of gender imbalance</li> </ul> </li> </ul>
8	<p><b>ICA Head Office:</b></p> <ul style="list-style-type: none"> <li>• is good at co-ordinating</li> <li>• is good at preparing for meetings</li> <li>• operates in an expensive city</li> <li>• needs to have more detailed information about the members</li> <li>• needs to become more creative and innovative</li> </ul>
9	<p><b>The President:</b></p> <ul style="list-style-type: none"> <li>• was a good choice</li> <li>• has broad support and the confidence of the Board</li> <li>• has to do a lot of travelling because of his home location</li> </ul>
10	<p><b>Regional Offices:</b></p> <ul style="list-style-type: none"> <li>• need to become more focused on fewer issues</li> <li>• lack sufficient resources to be as effective as they could be</li> <li>• the distribution of resources between regions seems to be unfair</li> <li>• the European region should become more closely aligned with existing EU co-operative organisations</li> </ul>
11	<p><b>Specialised Bodies:</b></p> <ul style="list-style-type: none"> <li>• provide a useful forum to deal with sector specific issues</li> <li>• do not work closely enough with each other or across sectors</li> <li>• need to work on much more concrete projects</li> <li>• ICA membership should be required of all participants</li> </ul>

Priority Ranking	ICA MEETINGS How could they be improved?
1	<p><b>Board Meetings:</b></p> <ul style="list-style-type: none"> <li>• should not be too short to cover the agenda</li> <li>• should not postpone decisions</li> <li>• needs to make its meetings more productive</li> <li>• if any outsiders are to participate their purpose must be very clear, co-opted specialists could be considered</li> <li>• should review what is happening to co-operatives world-wide</li> <li>• opportunities could be taken to meet with top political leaders in the countries where meetings are held</li> <li>• discussions on many issues could be started in advance of meetings via e-mail</li> <li>• papers could be sent out in batches as they are prepared rather than waiting for them all to be despatched together</li> <li>• a better gender balance needs to be achieved</li> <li>• sessions could be held involving local co-operative leaders</li> <li>• hold meetings in places where lobbying can be done e.g. New York</li> </ul>
2	<p><b>General and Regional Assemblies:</b></p> <ul style="list-style-type: none"> <li>• should become more focused and spend less time on rituals, not more than 2 or 3 main items on each agenda</li> <li>• discussions should be action orientated</li> <li>• specific goals should be identified along with the resolve to find solutions</li> <li>• could make more use of ICA presence in a country to lift the profile of co-operatives, making more use of media opportunities</li> <li>• should provide more opportunities to learn about co-operatives in the host countries</li> <li>• focus more on East-West and North-South collaboration</li> <li>• have much less time spent on giving reports, participants should have read them prior to the meeting, time should be given over to answering questions</li> <li>• prevent delegates talking on topics that are not on the agenda</li> <li>• need translation at break-out sessions</li> <li>• should be long enough and important enough to justify the travel costs involved</li> <li>• new ideas should be discussed, the focus should be on the future not on the past</li> <li>• should provide the opportunity to discuss trade and business development</li> </ul>

Priority Ranking	THE ICA FLAG
	<p><b>In considering changing the flag:</b></p>
1	Is not thought to be a priority issue.
2	A modern symbol could be more appropriate.
3.	The rainbow flag could be update with the addition of a symbol.
4	There is a need to check with members to see what symbols are still considered to be valid.

Priority Ranking	THE FINANCIAL SITUATION The Proposal to levy \$1 per Member.
	<p><b>The proposed levy is:</b></p>
1	Not a suitable or viable way of dealing with ICA's financial situation.
2	Could be considered but would have to be at a more modest level.
3	Specific projects that could capture the imagination of co-operative members would be much more likely to attract financial support.