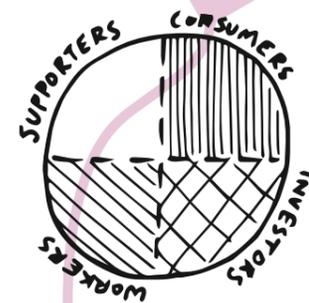


Business Idea

Identify a business idea where the opportunity for a profitable trade coincides with a social need or a vulnerability in existing power structures.

How to set up a Multi-stakeholder Co-operative

Alex Lawrie,
Somerset Co-op
Services



Decide Member Classes

Organise the principal stakeholders into clearly defined groups – no more than three, typically. Consider which might exercise leadership within the co-op, or whether an equal balance will better reflect the purpose of the co-operative.

Stakeholder analysis

Who has an intense and recurring interest in the conduct of this trade?

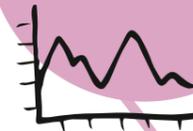


Mission Statement

Consult on a mission statement, and on the guiding values and principles for the business. Begin making individual contacts with a view to forming a steering group.

Research

Gather market data and, if possible, prepare a full feasibility study to validate your idea..



Founding Directors

Bring together a group of founder directors who will manage the registration and early stages of business planning.



Launch

Approach prospective investors of debt and equity. These may be social lenders and ethical banks, or in the case of community shares private individuals who have an interest in and a connection to your project. A crowdfunding platform may be helpful at this point.

Registration

Register the co-operative, taking into consideration the likely need for finance from non-user members; the choice between mutualistic (Co-op Society), altruistic (Community Benefit Society) and grant supported (CIC) legal forms; and options such as mutual trading, payment of dividend and board election by halves or thirds.

Business Development

Research and consult around the business plan for the enterprise, securing skilled and specialist advice where necessary.

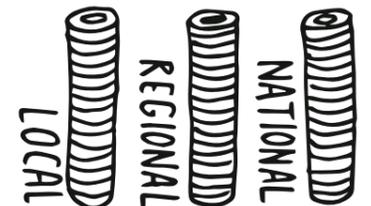


The Board

Build a diverse board that has a balance of temperaments, backgrounds and perspectives, but is united around a commitment to self knowledge, mutual respect and realism.

Investment

Make a balanced assessment of the capital requirements to launch – neither too little, such that productivity is low and market access restricted; not so high that interest becomes a burden on the business, or that responses to market signals become dulled (grant funding may be equally important if you have strong social outcomes).



Go-op trains