

# SAOS

Developing co-operation in farming,  
food and rural Scotland

## Loyalty – Participation - Communication

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# SAOS - Context

**Owned by 80 producer co-operatives**  
**10 largest £2.2 billion of business**  
**85% of farmers co-operate**

# SAOS Business

- **15 Full time staff**
- **7 Part time staff**
- **Board**
- **Council – who elects the board**
- **T/o £1.86m**
- **£500k net assets**
- **All surplus retained to pursue purpose**

# SAOS working tools

- **Member research / loyalty surveys**
- **Board effectiveness – health check**
- **Director development – 5 modules**
- **Director's master seminars**
- **Chairman's workshops**
- **Manager's forums**
- **Strategic planning workshops**
- **Risk management tool**

Co-operative must engage  
participative strategies because:

**Shareholders have control rights over:**

**Revenue streams**

**Contracts**

**Property**

# Understanding that Members have control rights means -

**An equality of knowledge between the member and the co-op.**

**Knowledge by members of markets, policy changes etc is essential to their understanding of strategy.**

What type of co-op are members passionately loyal to?

One they can trust to always act in their best interest, without exception

# **‘Member Loyalty’ for a Co-operative?**

## **‘Total trust’**

**The Co-op and its people never take  
opportunistic advantage over customer  
vulnerabilities.**

**This is a different view of doing business.**



# Cohesiveness

**This is loyalty by members to their co-operative and the democracy of involvement by members.**

**Involvement is the process where members understand and influence the development of strategy.**

# Specific aims of member research:

- **Improve the understanding of members' businesses**
- **Identify factors influencing members decision-making**
- **Gather members honest views on co-ops current service provision and operations**
- **Interpret members future intentions**
- **Gauge interest in developing services and operations**

# Loyalty survey – some statements

I can always rely on (Co-operative) to provide a quality Service.

Strongly agree  
Agree  
Somewhat agree  
Disagree  
Strongly disagree

(Co-operative) sets the standard for excellence in its field.

(Co-operative) knows how to listen to me and meet my needs quickly.

I am proud to be a member / customer of (Co-operative).

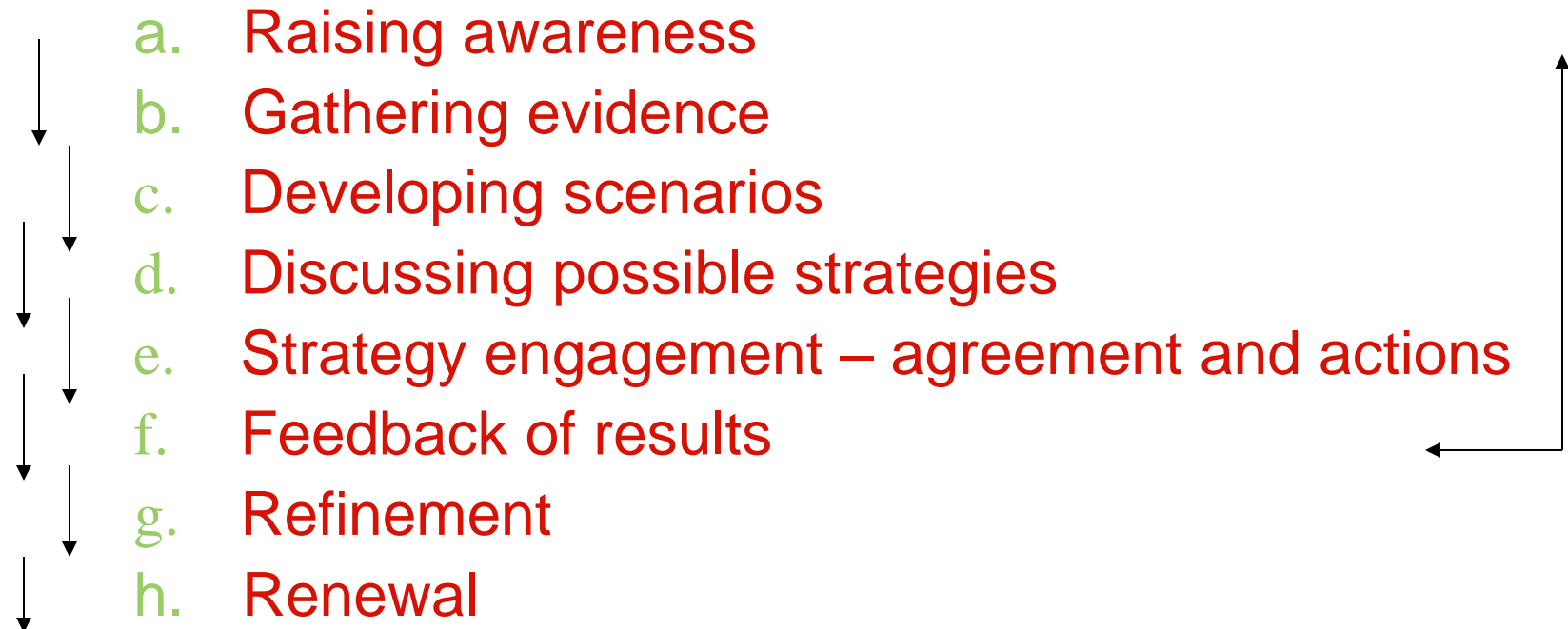
How important to you is the fact (Co-operative) is owned by its community and continues to invest in the area?

		<u>Response Rate</u> (%)	<u>Loyalty Index</u>
1	BMR	26	120
2	Tarff	33	127
3	Abdn Grain	57	112
4	Rural Services	14	106
5	Grampian Growers	91	143
6	CCF (Welsh Co-op)	36	89
7	Scot Agronomy	57	148
8	Highland Grain	67	148
9	Tayforth MR	28	126
10	Scot Borders Produce	78	109
11	SPP	55	142
12	Scotlean	60	146
13	ESG	79	129
14	Ringlink	13	132
	Mean	49.6	126.9

<u>Weighting</u>	
Str Agree	2
Agree	1
Disagree	-1
Str DisA	-2
Index	

# Communications

## Aligning the interests of Members and their Co-operative



# Communication should consider : -

- Content** – defining the scope and depth of the message being conveyed.
- Tone** – is it urgent, vital, require response, informal, personal, general.
- Source** – the board, chairman, manager, as a result of membership discussion.
- Form** – written, verbal, visual
- Channel** – letter, magazine, visit, meeting, combination.
- Destination** – all members, young members, new members, wider stakeholder
- Receiver** – who is the target?
- Purpose** – raising awareness, evidence, scenarios, discussing strategies, strategy engagement, feedback of results, refinement, renewal.
- Feedback** – by questionnaire, through employees, meetings
- Measurement** – effective communication? response numbers, meeting attendees

# Practical steps

1. Clarify what the Co-op wants to say
2. Refresh the Co-op identity
3. Put faces to your Co-op
4. Support spokespeople
5. Keep staff informed
6. Email etiquette
7. Make you website more interactive
8. Network, network, network
9. Outside advice