

Cooperatives are user-owned and user-controlled businesses formed to benefit a group of members. Cooperatives are designed to reward use, encourage users to commit to using the services, and encourage users to voice opinions about how the business is doing.

Organizing

- Research and understand the cooperative model.
- Assess interest and needs in your community.
- Form a core group or steering committee.
- Hold a community meeting.
- Develop an initial statement of purpose or mission statement.
- Choose a temporary name.
- Identify monies to cover incorporation costs.
- Create effective systems for communication and meetings and continuously improve them.
- Set up administrative support to keep track of money, membership, data, contact lists, etc.
- Create a contact list for email and to find volunteers.
- Develop a preliminary Sources & Uses budget.
- Develop a budget for organizing.
- Create a membership program.
- Identify and recruit potential owners.
- Carry out a preliminary feasibility study.
- Develop a budget for **Feasibility and Planning**.
- Incorporate and adopt bylaws .
- Receive approval of Nebraska Banking and Finance Commission
- Establish the initial board of directors.
- Open a bank account.
- Conduct owner recruitment drive (1st) after incorporation and Banking and Finance Commission approval.

Feasibility

- Develop a concept paper describing what you hope to accomplish and why.
- Plan and disseminate regular member communications.
- Develop a logo that expresses your “brand”.
- Share information through a web site and/or social media.
- Participate in community events.
- Hold information meetings and community events.
- Engage community leaders.
- Continue fundraising.
- Continue to seek input.

- Identify areas of weakness, recruit help or hire consultants.
- Research local real estate market to identify site.
- Make plans for preliminary design and design feasibility, depending on how advanced you are in identifying your preferred site.
- Conduct owner recruitment drive (2nd) after site is identified and secured.
- Assess feasibility, including market feasibility, financial feasibility, and organizational capacity/readiness.
- Research suppliers and their account requirements.
- Develop/revise your budget and work plans for planning.

Decision point

Are your cornerstones--**Vision, Talent, Capital, and Systems**--**solid enough to successfully support the organizing effort ahead?** You have invested significant time, energy, and financial resources to get this far. Are you ready and willing to move forward? Now it is time to take stock.

Once you are legally incorporated, have established your organizational structure, have at least 15-20 potential members actively engaged in the work groups, have received commitments from 40% target owner goal at opening, have functional and effective systems in place for communication and meetings, and have made a positive assessment of preliminary feasibility, you are ready for **Planning**.

Planning

- Update your vision and mission statements based on input and feasibility data; share with all stakeholders.
- Conduct a strong ownership drive to recruit and engage owners (3rd).
- Begin the planning process to hire a general manager. Hire as early as your resources and availability of quality candidates allow.
- Adopt a board leadership development plan. Deepen teamwork and effectiveness.
- Draft owner loan or other investment documents.
- Finalize owner loan plan and other owner investment opportunities. Get legal review.
- Identify top sites and contract for a professional market study update.
- Finalize site search and negotiate to buy or lease (with contingencies).
- Update your Sources & Uses budget and work plans for implementation.
- Update your financial proformas to use when seeking financing.
- Prepare or update your business plan for seeking financing.
- Begin creating an operational plan (when GM is on board).
- Meet or exceed your initial ownership goal.

Decision point

This stage is complete when the store site is secured with contingencies, made public, and the co-op has reached 60% of owner goal.

Implementation

- Finalize brand development. Creating a marketing communication plan.
- Continue to engage owners and the community.
- Define project manager and general manager roles.
- Continuing store and operational planning with key support organizations.
- Transition from a working board of directors to a governing board.
- Owner campaign (4th).
- Finalize member loans and external capital commitments.
- Implement operations plan.
- Finalize staffing plans and conduct hiring.
- Set up vendor accounts.
- Negotiate service contracts.
- Set up key store systems: administration, finance, inventory, human resources, marketing.
- Conduct staff training.
- Install, program and test POS system.
- Stock shelves.
- Determine opening day (soft opening) and a grand opening celebration.

Decision Point

The decision now is how to celebrate! At this point the co-op should have about engaged member owners and all of its financing secured. Staff are hired and trained, and the board is prepared to turn over operations and assume its full governing role. The community should be well aware of the new co-op and excited about the opening day.

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