

## Role & purpose of BMOs

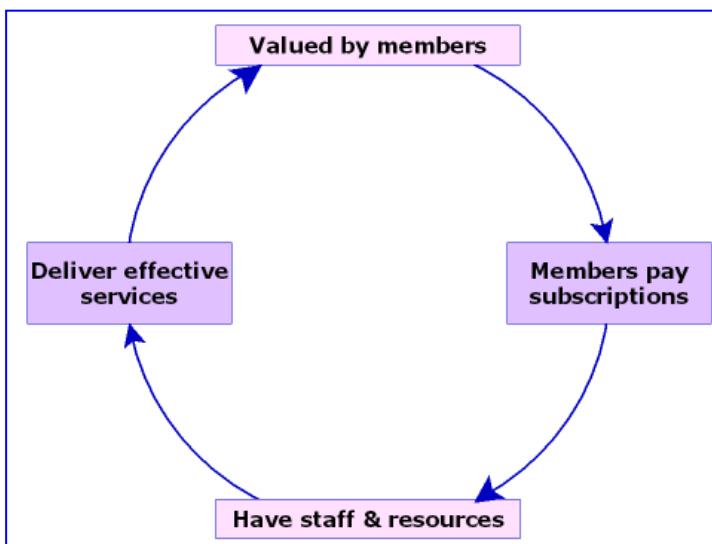
### Introduction

Business Member Organisations are voluntary associations bringing together businesses, usually though not always, from a specific business sector to pursue common objectives. Sometimes businesses in a specific geographic area come together to form an association, usually known as a Chamber.

The major objective for most associations is to give their members a voice – indeed that is often the single biggest reason why new associations are formed. However, associations quickly discover that all businesses in their sector receive the benefit from whatever they achieve, irrespective of whether they join and pay a subscription. So, in addition to providing representation on wider policy and practice, associations also need to provide services to members which are sufficiently attractive to encourage them to pay a subscription.

BMOs are usually able to provide these services more efficiently or more effectively than the members could provide them individually. Typically this will include representing the sector and influencing opinion formers (including politicians, journalists, academics, research bodies, pressure groups, NGOs, other trade associations and consumer bodies) and well as influencing the climate of opinion. Services are likely to include information, statistics, market information and benchmarking information; seminars, conferences and training; and perhaps technical services such as legal, technical improvement, environmental consultancy, and training and development.

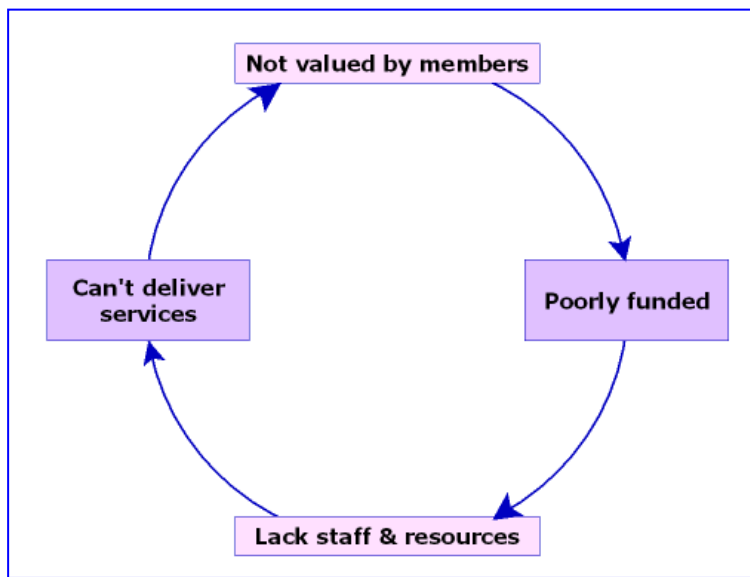
### The big challenge



Many business membership organisations provide a good range of services for, and are valued by, their members. As a result their members pay their annual subscriptions, and often the services provided by the BMO generate additional income. The consequence is that the BMO can afford to pay professional staff and give them the resources to be able to keep on delivering effective services which are wanted and valued by the membership. Whilst many

BMOs originally form in response to the need to advocate on a particular issue, it is the services that they deliver to the membership that retains the membership.

Advocacy, inevitably, becomes an 'add-on', because businesses do not have to be members to gain the benefit of any advocacy. However, generally, they do have to be members to gain the benefit of the other services.



Some BMOs, however, fall into a vicious circle from which they find it difficult to escape – with few members paying subscriptions, so no resources to deliver services, and so they are not valued by their members, who therefore refuse to pay their subscriptions.

### Vision

The received wisdom is that organisations should have values, vision and a mission. There is no doubt

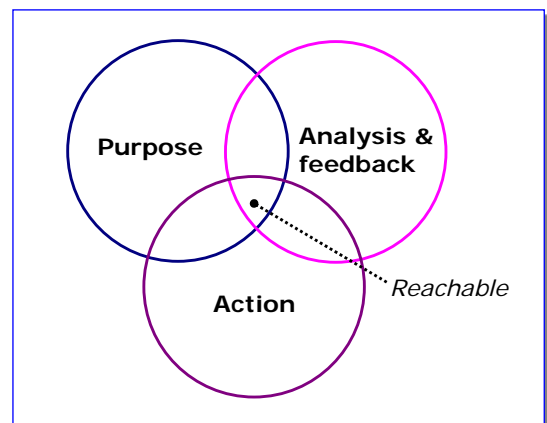
that trade associations, too, need a clear purpose; but, having a vision can be difficult in member driven organisations – a chairman may have a vision but may only be in post for a year or two so never see it through. However, trade associations can make up for this lack of vision by ensuring that they have an appropriate strategy.

### Integrated approach

The American Society of Association Executives and the Centre for Association Leadership stress the importance of ensuring that associations take a strategic approach to their role.<sup>1</sup>

They note that it is not enough to have a purpose but that they must ensure that all of the association's products and services are aligned to the purpose and that they must also promote a customer service culture. This they refer to as commitment to purpose.

They argue that associations must have a commitment to analysis and feedback. They must undertake research and they must learn from their activities. Strategies should be 'data-driven' – in other words, their strategies are based on the evidence and data that they have gathered. They should dialogue and engage with other stakeholders, in order to understand their positions on specific issues. The CEO should be a source and broker of ideas – and should facilitate visionary thinking throughout the organisation.



Lastly, associations must be committed to action. They need organisational adaptability – they need to learn from and respond to change in the external environment. They also need to build alliances.

<sup>1</sup> ASAE & the Centre for Association Leadership, "7 Measures of Success: What remarkable associations do that others don't", 2006