

gk strategy

strategic research and communications

Building an effective trade organisation

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Building an effective trade organisation

Achieving desirable policy change is one of the main rationales for trade organisations, especially in regulated and politically-sensitive sectors, as most businesses and third sector organisations are often unable to achieve significant change on their own.

How can a trade body be truly effective in achieving such change? And how can they engage their members best to achieve such change?

We have set out a number of problems that trade bodies can face in this regard and how they can overcome them.

Getting the basics right first

For new membership bodies, putting the foundations in place for a group to be established is the most important first step. For existing organisations, making sure there is a clear articulation of the purpose of a group and that it is run on a sound, sustainable basis is key to maintaining growth and attracting new members.

Defining the overarching purpose of the group is vital. There is a diverse range of membership bodies, each with their own raison d'être and serving the particular needs of their members. Bodies might be set up to campaign on a single issue or formed in response to policy development – to repeal a specific aspect of legislation, or to raise or lower a particular tax, to name some examples. They might be formed as a splinter group from an existing trade body, if they are dissatisfied with its direction or feel that there are separate issues that need to be addressed in a different forum. Whichever category they fall into, all successful trade bodies will have a clearly-defined purpose.

Deciding on the right structures to have in place – membership criteria, governance, financial management, clarifying the legal status of the body – as well as the foundational purpose of the group is essential to being able to move forward as a representative body that has genuine buy-in and a collaborative approach from its members, and continues to grow in its membership.

Providing tangible benefits for members

Simply put, membership bodies will only grow if they are able to show how businesses can materially benefit from joining. This can manifest in different ways. It could be to do with provision of high-quality external services and products to members, such as training and development, internal advice on policy change and regulatory requirements, or even access to particular financial benefits such as insurance.

However, the most fundamental benefit for businesses subscribing to a membership body, especially in a regulated or politically-sensitive industry, should be gaining a level of representation and influence that they could not achieve on their own. Whether with central government, local authorities, key statutory regulators or independent decision-makers in their own markets, the membership need to be able to show how they are able to communicate the views and priorities of their members on the relevant issues in their industry to key decision-makers and stakeholders.

Developing a clear strategy

This is arguably the most important aspect of a successful membership body but can also often be the most challenging to get right. Attracting a growing and diverse membership is a real strength for organisations seeking to represent a whole industry, but naturally presents obstacles to reaching clear agreement over strategy. Managing internal politics is often one of the trickiest parts of running a trade organisation and can be their undoing if not handled in the right way.

No membership body can achieve unanimity on its policy positions given members' different interests and priorities, but as long as disagreement is managed effectively – ensuring that all voices are heard and respected, and clear baselines agreed – then there should be few barriers to communicating a message and carrying forward priorities that at least a majority of the membership can support. Bodies should not try to be all things to all people – individual members should be free to communicate their own priorities individually, as long as it is not opposing or undermining the

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core purpose of the group – but seek to listen to all views and reach a fair conclusion that does not materially disadvantage any member.

That members are heard during this process is vital, as for many this will be one of the key benefits of subscribing to the body – that they have a seat at the table and a real say in what the organisation is proposing for the whole industry. This is so often a difficult balancing act with many different interests and priorities within the group, but successful bodies prove that it is possible to achieve. Membership bodies need to have a good understanding of their members and the dynamics between them, so that any potential disagreements can be pre-empted and quickly addressed. Good communication between the body and its members is essential.

A good starting point for uniting or galvanising members may be to commission a piece of external market research to be published by the group, which not only acts as a helpful piece of marketing and publicity for the body, but also provides an objective analysis of a particular question or set of issues around which a common view and potential solutions can form among members. If a group is struggling to decide on coherent messaging or specific points to communicate to policy-makers, a research report could prove a useful hook for external engagement and help to garner consensus among members.

Demonstrating progress and credibility

Developing and maintaining momentum is key for an effective membership body, not only for it to achieve its goals as an organisation but also to prove to its members that it is providing them with the value for money and the level of representation and influence, they want from the group.

Effective management of internal communications is essential to demonstrating credibility, ensuring that all members receive clear communication, and have equal opportunity to feed into the development of the body's priorities. Consulting members regularly is vital, as is keeping them ahead of the curve on the actions the body is taking a result and how members' views are informing its approach.

Thinking creatively about external engagement, communications and campaigning is also vital to making and sustaining progress. Holding events with interesting themes can attract publicity; they also help to demonstrate credibility if they include speakers who are influential and well-respected within the sector, as well as relevant decision-makers who can engage directly with the issues raised by members. A strategic approach to interaction with key decision-makers – whether Ministers, officials, local MPs, regulators, councillors or others – is important and will have been informed by the group's original purpose and strategy. Making effective use of publicity material, social media and other campaigning tools and techniques.

Why GK?

GK has more than a decade of experience in creating, developing and supporting membership bodies across a range of sectors. Our consultants have worked alongside groups of businesses in some of the most significant and challenging sectors in the UK, helping trade associations and their members to have their voices heard by senior decision-makers in Westminster, Whitehall and local government.

Whether providing secretariat support, advising on policy and communications strategies or simply adding extra capacity to public and corporate affairs teams that find themselves under pressure,

GK's expertise has helped membership bodies to achieve their goals. GK's in-house research team has also worked with membership bodies and produces a risk matrix and policy stability index that can help bodies and their members to understand and negotiate the implications of policy and regulatory change.

To find out more about how GK can work with your trade organisation, please get in touch: emma@gkstrategy.com





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