

Steps to Cooperative Development Especially for Conversions:

1. Assess Worker Interest/Achieve Consensus.

- a. Does a solid majority have enthusiasm about forming a cooperative?
- b. Are potential members willing and able to commit substantial time? Money?
- c. Assess market for your product/service or any potential obstacles/pitfalls.

2. Establish Needed Committees/Positions.

- a. Coordinate meeting protocol.
 1. Set and publicize dates, times, and locations.
 2. Delegate duties: Facilitator, Minutes taker, Timekeeper, etc.
 3. Plan on meeting A LOT.
- b. Probable Committees:
 1. Bylaws
 2. Articles of Incorporation
 3. Financing
 4. Negotiating Buy/Sell Agreement
 5. Operations/Management
 6. Insurance, Licensing and Permits
- c. Delegate tasks and establish timelines and goals.
 1. Ensure follow through with regular check-ins.
 2. Be firm – don't be afraid to re-assign tasks.
- d. Elect Steering Committee/Board of Directors.

3. Obtain Technical Assistance.

1. Research, research, research and appropriate.
 - a. Operating Documents
 1. Buy/Sell Agreements
 2. Bylaws and Articles of Incorporation
 3. Effective Meetings, Voting, Democratic Structure and Participation, Evaluations, Operations, etc.
 2. Legal and Accounting counsel to help with:
 - a. Purchase of business & Buy/Sell agreement
 - b. Legality of documents
 - c. Compliance with State and Local sector laws
 - d. Labor law
 - e. A myriad of other issues that may come up
 3. Financing
 - a. Capitalization and Loans
 - b. Member Equity
 - c. Business Plan/Long range strategic planning

4. Commit to Ongoing Education

- a. Resource Networks and fellow cooperatives
 - a. Please reach out – don't reinvent the wheel!
- b. Operations/logistics and your business model/sector

- c. Democratic Participation
 - 1. Effective meetings process
 - 2. Voting and Representation/redress of grievances
 - 3. Membership – benefits and responsibilities
- d. Financial Planning
 - 1. Acquisition/Expansion and goals
 - 2. Prudent reserves and stability/profitability
- e. Board, Management and technical training

Resources to start with:

USDA:

www.coopdevelopmentcenter.coop

University of Wisconsin Center for Cooperatives:

www.uwcc.wisc.edu

U.S. Federation of Worker Cooperatives Education and Resources

www.usworker.coop/education

National Cooperative Business Association

www.ncba.coop

Northwest Cooperative Development Center Co-op Starter Series:

www.nwcdc.coop/Resources/Resources.html

Northcountry Cooperative Development Fund – Toolbox Series of Cooperative Development Assistance Manuals

www.ncdf.coop/Toolboxes2.html

North American Students of Cooperation

www.nasco.coop

The Cooperative Foundation

www.thecooperativefoundation.org

Cooperative Development Foundation

www.cdf.coop

Cooperation Works!

www.cooperationworks.coop

National Cooperative Bank

www.ncb.coop

National Cooperative Business Association

www.ncba.coop

