

**1.1.2 Chamber Management and Administration; and Membership  
Recruitment  
Activity Report**

**Submitted by:**

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**ECIBON PROJECT**

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**Activity 1.1.2** Chamber Management and Administration; and Membership  
Recruitment

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**Conducted by:** Peter Bishop, Deputy Chief Executive, London Chamber of  
Commerce

## **1.1.2 Activity Report**

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### **1. Summary**

This report picks out the main contents of two seminars held in Baglung in September 2008 as part of the ECIBON project, makes recommendations for the future development of Intermediary Business Organisations in Nepal, and comments on the organisation of the seminar by EEC-Nepal and the role played by the Baglung Chamber of Commerce.

### **2. Seminar**

The seminar was, in fact, two, two-day seminars held consecutively, the first attended by executive members of IBOs, the second by IBO secretariat staff. I used similar materials for both groups but naturally the emphasis was different as the members' role is different from that of the operational staff. If such an exercise were to be repeated I would urge the introduction of a further, joint session where both members and staff are brought together and their relationship and objectives are explored. This would make, I believe, an extremely valuable, say half-day, session in which both groups could gain a greater appreciation of each other's roles.

I had met all the course participants some three months earlier so I was comparatively well acquainted with their positions and organisations, as well as how they liked to participate in such seminars. This enabled me to bring in delegates as appropriate and where the topic being discussed was particularly relevant to their industry or region.

### **Course objectives**

I summarised the course objectives in practical terms at the beginning of each seminar as follows:

- We all run or work for organisations – IBOs - whose objective was to help members succeed in their business
- We all wished to run those organisations better so that: we had more members who were better serviced
- By the end of the two days we should understand better what we wanted to achieve, and how we should go about achieving it
- We would have examined all aspects of running an Intermediary Business Organisation, and would take back ideas for enhancing and improving our own operations, and indeed to introduce new ideas to our set-ups.

### **Video film: a walk round a chamber of commerce**

A month previously I had made a one-hour film of the London Chamber of Commerce specifically for the purpose of the Chamber Management seminar as I believed that this was an instant and helpful way to introduce each aspect of what an Intermediary Business Organisation was engaged in, and would provide a useful framework for our discussions over the next few days.

Sequentially the film covered:

- The chamber of commerce building,
- Reception and Members' Lounge
- Membership – sales and recruitment (member relationship team)
- Chamber Events
- Sponsorship
- Policy, Press and Lobbying
- World Trade
- Information and Enterprise Europe Network
- Publications
- Marketing
- Export Documents
- Facilities e.g. mailroom, IT, HR
- Finance
- Meeting rooms and room hire
- Branches
- Board room, senior management team and operations group meetings

As the camera followed me around the building I talked to camera about what we were seeing and interviewed relevant staff about their roles and responsibilities.

Such interviews took place with the sponsorship manager, an event organiser, head of policy and press, financial controller, head of world trade, information manager, membership sales executive, membership retention manager, marketing manager, director of operations, a branch chamber manager, and chief executive office support team.

Every section sparked a discussion with delegates on aspects of running an IBO e.g. the section on the building triggered consideration of what was needed by way of premises, location-wise, externally and internally, as well as the subject of visitors to the IBO building: how many, how were they dealt with, and whether it should be encouraged. As a substantial and pragmatic ice-breaker as well as a provider of information and ideas I believe the film worked very well and would certainly use such a technique or medium again in similar circumstances.

## **The functions of a Chamber or Intermediary Business Organisation**

### **Constitution and structure**

As background we discussed chambers around the world and the mixture of public and private law status. We dated the first chamber to 1599 (Marseilles) and looked at the status of chambers in Nepal which as private law chambers differed from those in the public law system, considering the strengths and weaknesses of the different systems.

We discussed the legal niceties which IBOs had to observe and their constitutions, articles, bye-laws and general meetings.

We compared notes on structures and the roles of respective boards, councils, committees, management and staff – what they did and how they needed to work together effectively- including:

- What kind of structure we required or desired
- Getting staff to understand the value of the non-executives, and vice versa
- How to get the best out of non-executives and use their expertise through such methods as appointment of membership 'ambassadors'

- As a flip chart/white board exercise we discussed a typical organigram of an IBO and debated strengths and weaknesses, based on what we wanted an IBO to look like - what it was now, what we wanted it to be in the future, and how to achieve that change

### **Corporate plan and business plan**

These were the blue prints for the organisation and contained vision, strategy, and measurable outputs.

We had a group discussion on what should be in a business plan with illustrations from those of the Baglung Chamber and the London Chamber. We also discussed business planning in the context of what we can do to help our members plan better and produce their own versions, aided by guide to business planning from an Australian source which I had found useful.

### **Membership recruitment and retention**

As a preamble to this we agreed that although we did not have to be membership organisations, we positively wanted to be as there are real advantages such as a creating a captive market and generating a favourable cash flow situation. Everyone took on board the point that retention is at least as important as recruitment where membership is concerned.

### **Recruitment**

In discussing recruitment we covered the methods of researching the market (having decided what our target market was), whether there was a limit on the number of members we wanted or could service, and how we could segment the market by sector, size or other means. We also covered the catchment area and whether it was clear where or whom we could recruit. Did we have agreements with neighbours, and how important was it that we were part of a network.

Subscriptions and how we priced them provoked debate about levels of fees, and whether they were significant and, in some cases, assiduously collected. At what point did an overdue member become a non-member? How did we ascertain fee levels – by headcount, turnover or profits – and what was the most suitable method? Should there be different categories of members depending on their need for and use of services?

Key to the recruitment process was the forming of the sales proposition and we discussed why companies should want to join our IBO and how we defined the benefits to potential members as part of an exercise.

This led into a session on how we promoted and market our membership offer e.g. what literature we used, special offers, membership campaigns and other sales tools. As an exercise we compared and commented on individual IBOs membership packs and marketing literature. We also covered the sales people we need to recruit, how staff were appointed, managed, incentivised and motivated, and what sales targets they were set.

### **Retention**

We agreed that membership would only grow if we were able to retain, year after year, a significant proportion of paying members. We used the sports club analogy that benefits would only accrue to members if they were regular users of our services and saw some tangible benefit of their membership. Were the recruiters in our IBOs the best people to look after retention, or should there be a separate function for this, or was it the responsibility of all staff? Should bigger (and higher paying members) be assigned account managers to maintain their loyalty to the IBO?

Other methods of retention and catering to the various interests of members were discussed such as the use of sector committees or special interest groups and we did a short exercise on which were our key sectors.

Communicating with members was a key issue in recruitment. How often should we phone, write to, or email members, what literature in general should we send them, would much of this be replaced by an active website, should member days be held to brief companies on current matters?

Much depended on our client management systems and data records which should enable us to track members' use of our services, and give them attributes for particular interests. Such information would help us encourage existing members to re-join, and help us recognise and reward long-serving members.

We had a discussion on the role and function of a website: not many delegates had one, but all wanted one and all had views on what it would be used for. I should add though that as with the 1.1.1 seminar I regularly referred to on-line information, websites etc. and asked participants about their access to such sources, and whether they had their own websites and email facilities. A significant number did not have such facilities and this is something that we should try to address.

### **Services for members**

Initially we discussed whether services should be provided exclusively for members or should non-members be given access to them too. Most agreed that non-members should have access but that members should be given preference, financially or in some other way. Every non-member was a potential member and would be encouraged to join.

We then carried out a flipchart exercise where each delegate listed their services. There were certain specific services such as tax collection for the local authority but in essence the key services were: information and consultancy provision; events including networking; and lobbying. We discussed all of these areas and suggestions were made, and examples given, of how they could be expanded and improved.

Under information provision we talked about the kind of information which was needed by members and potential members, and what form it was wanted in. e.g. hard copy, on-line, library, question-answering, problem-solving, business advice, news sheets and fact sheets.

Under events we discussed the formats e.g. breakfasts, dinners, lunches, seminars, workshops, conferences, lectures, awards, how we decided subjects and topics, how we organised them, how we priced and what the market was. We ascertained that networking was a key benefit of events attendance but that information provision was much sought after by Nepalese companies in this context as well. It was agreed though that networking, business introductions and on-line business platforms were becoming more important for businesses, and therefore for IBOs.

There appeared to be an absence of services which related to international trade though this should now be addressed as the trickle-down from 1.1.1 takes effect and other elements of the project e.g. 1.1.3 come into play.

Bringing companies together to brief them on economic conditions or policy changes, or in one particular case, campaigning for better conditions for business, was seen as a key service for members but was not wide spread. This will be addressed later in this report, and is specifically covered in 1.1.4.

Delegates were keen to learn about and discuss services and this may well be that the offering in many cases from IBOs is thin, and it appeared to be hard to justify significant subscriptions for the offer available. Our discussion on pricing our services and whether we should use market rates or subsidised by membership fee bore this out.

### **Supporting business and members**

We agreed that it was our role to improve the economic environment in which businesses operate and that campaigns and lobbying was a key part of this. We gave examples of typical campaigns in Nepal and the UK with the industry associations and Baglung Chamber being particularly active in this area, and agreed that we should be clear in what we were lobbying for, and realistic in our aims. In doing so we needed to have mechanisms to tap into members' views, make sure they were representative, have the resource to research and understand complex subjects.

I subsequently read an interview in *The Kathmandu Post* with Kush Kumar Joshi, President of the Federation of the Nepalese Chambers of Commerce which was extremely impressive in its championing of policy initiatives which would help Nepalese business and this is something that the chambers at least among IBOs should harness.

Good media relations are critical to get members views across so we naturally discussed dealings with the press, radio and TV, how we attempted to get media coverage and the importance of press releases.

Similarly, good relations with local and national government - politicians and civil servants - were critical to the role of IBOs, a notion well understood by all delegates who had methods of keeping in contact.

### **Financing and managing the operation**

To set the scene I outlined the financial operation of a typical private law chamber of commerce, describing its income and expenditure. We all agreed the need for us all to make a profit in order to sustain the organisation and re-invest money in the business thus providing the best services possible for our members.

All IBOs agreed that their biggest costs were their staff and premises and that this was natural in our business which relied on people skills and being the place to meet. IT was not yet a major cost but this would happen in time and would also provide savings. The main sources of income were membership subscriptions, consultancies, and special services like a tax collection franchise.

We discussed the work of an IBO finance manager, the budget process and the production of annual report and accounts, with reference to that of the London Chamber of Commerce.

### **Ancillary matters**

We were able to find time at the end of the seminar with IBO secretariat staff to follow up a particular issue resulting from activity 1.1.1. This related to the composing of a suitable letter to send from IBOs to a selected number (up to ten) potential importers of handicrafts, coffee, tea, dried herbs, glassware and pottery, leather goods, bottled water, fresh flowers, jewellery, quartz, gemstones and precious stones, stationery, clothing, honey and cane, bamboo and rattan furniture.

London Chamber of Commerce supplied the lists to EEC – Nepal following activity 1.1.1 but it was agreed to hold them back until we all met at Baglung to jointly compose covering letters that would have the best chance of eliciting responses.

This exercise led naturally to a discussion on the Nepal Fair which was due to be held in London at the end of September and which had adopted the themes of investment, trade and tourism. This had been put together with a short lead time by the Britain-Nepal Chamber of Commerce and the Nepal Embassy and, had the timings been more propitious, could have provided a good opportunity for a number of IBOs. I was able to subsequently visit the Fair, and covered it in *London Business Matters* magazine, both before (in promoting the event) and after, and was able to give it a favourable review.

Coinciding with the fair, London Chamber of Commerce hosted a Nepalese delegation headed by the Tourism and Aviation Minister, Hon. Hishila Yami and including HE Murari Raj Sharma, the Ambassador of Nepal to the UK, Prachanda Man Shrestha, head of the Nepal Tourist Board, and Pritvi Pande, Chief Executive of the Investment Bank of Nepal. This was also covered in *London Business Matters* and provided an opportunity for further publicity for the ECIBON project which has been covered previously in the magazine.

### **Format of seminar**

Throughout the sessions the topics were illustrated with examples and following handouts:

- Chamber of Commerce membership packs
- Membership materials – the above as examples of useful literature for new members
- London Business Matters, eNewsletter, Member news – examples of communicating with members
- Numerous event brochures or fliers
- Specimen name badges for event attendees
- Directory of members
- Research reports as part of a lobbying and campaigning process
- Examples of economic surveys
- Business manifesto
- Samples of press releases
- Sample Business and Corporate Plan
- Guide to Business Planning
- Sample Company Report and Accounts
- Sample Board reports
- Human resource policies (examples)
- Manual on organising and managing chambers of commerce (produced by ZDH Partnership Programme).

(see Appendix for list) against the backdrop of a video film, a PowerPoint presentation, and frequent use of the white board and flip charts. The presentations were interactive with frequent interjections from delegates and a general discussion at the end which led to my main observations to the group which I detail in Conclusions and follow-up below.

### **3. Conclusions and follow-up**

There were four clear messages that I wished to give the group at the end of the seminars, and which came out of the seminar discussions, and all were based on membership of IBOs and the agreed premise that members were both valued, and sought for both recruitment and retention purposes.

Firstly, there should be more **pro-activity in both member recruitment and retention**. It was agreed that an extremely effective way of gaining new members was for existing members to make introductions, and this method was certainly employed, if only by the executive members. However there was little evidence that many of the IBOs ran membership recruitment campaigns of even a basic level, and that much recruitment was reactive.

There should be more clarity about the **membership offer** and the benefits that companies receive. Everyone was able to recite the services which the IBO offered but they were less able to see them from the members' point of view and describe them in those terms. This was also true of much of the literature I saw.

There was a strong case I felt for bringing the IBOs members together more often, for **networking and events** and creating as much of a club atmosphere as possible. A number of IBOs mentioned that they only brought members together once a year. They would like to run more events but the terrain in their regions, they said, made travelling difficult and this may well be true, but with creative thinking it may be overcome.

Finally the IBOs needed to make decisions about **membership subscriptions**. Should they be token or significant? If companies did not pay them within a reasonable time should they be struck off as members?

A number of the membership points are linked with a conclusion I came to after activity 1.1.1. I said at the time that there was a disparity within the group as to who had **email** addresses and **websites** and, indeed, access to the same. It was my impression then that about half of the group were well geared up, IT-wise, and that the rest were less so. I went on to say: "Naturally, for the sake of communications with EEC-Nepal, between themselves, and with members and clients it is highly desirable at the very least that all have email and internet access at an early stage, and a web presence soon thereafter. I know that EEC-Nepal share this view and have some actions or investigations in process." Since then there has been some increase in the group's access to and use of email and websites but there is a long way to go.

I noticed more improvement in a separate area which I observed in activity 1.1.1 namely the command of the **English language**. I had recommended some actions to improve it where necessary and, whether people had followed my advice or not, I certainly noticed some improvement.

#### **4. Organisation**

The decision to locate the seminars in Baglung was, I believe, a good one for a number of reasons. Firstly it meant that the groups were able to cement relationships and talk and network outside the working sessions, with ample opportunities to learn from each other.

Secondly it gave us all the chance to visit and learn more about the Baglung Chamber of Commerce which appeared to me to be an active, excellently-run IBO, from which much can be learned.

Thirdly the facilities at the Hotel Peace Palace were very good, not only for the seminar but also for the certificate ceremony and an *ad hoc* reception which include other important figures in Baglung.



The location did of course mean a considerable burden on the team at EEC – Nepal but they rose to the capably to the challenge as did the Baglung Chamber who played a vital role.

Translation as appropriate was carried out by Mr. PB Rana, Ms. Kamini Chand and Mr. Sagar Nepal appeared to work well.

P Bishop  
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