

Mechanisms for organisation

Tool

Purpose:

This tool seeks to guide marginalised groups to address their problems by creating their own organisations, in appropriate forms of member-controlled enterprise. Through self-organising, poor people can gain power to control their asset base, promote economic democracy and retain economic surpluses.

The tool covers a range of legal forms – **association, trust, partnership, cooperative and company** – that can be used to achieve these objectives. A chart provides details of key features such as legal incorporation, governing instruments, regulatory controls, asset and financial controls, meetings, management structures and winding-up.

Guidance is given on which legal forms help self-organised enterprises to remain controlled by members.

Activities:

The tool aids users to investigate the socio-economic reality of their environment, and the 'best fit' options for self-organisation within that reality. Essentially there are three options that can be adapted in different contexts:

- Associative types of organisation to represent people
- Trusts and foundations to hold assets for charitable purposes
- Member-controlled organisations for trading and commerce (e.g. partnerships, cooperatives and companies)

Keep in Mind

★ The potential activities that organisations pursue vary and can include defensive actions (protests), assertive actions (gaining access to existing services), constructive actions (using own resources) and transformative actions (creative experiments with alternative development models).

★ Organisations of marginalised people result in a loss of power from central control and therefore may be opposed.



The process of self-organisation requires members to move through three distinct stages:

- ❶ Social preparation – Break away from ad hoc and random activities. Invest time and energy in clearly establishing collective aims, objectives and activities. Raise awareness of these objectives and the possible legal forms that might best serve those objectives. Negotiate and agree actions.
- ❷ Organisational development – Establish an agreed organisational mechanism that increases internal linkages. Put in place a structure that focuses on planning, education, training and resource mobilisation. Legal advice may be necessary, but is costly.
- ❸ Institutional development – Reflect on progress. Broaden and deepen the capacity to handle greater resources. Link to and cooperate with external resources and make demands on available services.

★ It is often better to found an organisation around small simple things and mature than being too ambitious from the start.

★ Most groups go through a stage of conflict. If you can weather this and adjust mutual expectations as a result, the final organisation can be much stronger as a result.

Further information

Find full tool and other related tools and resources at:

www.policy-powertools.org

For further information on organisational mechanisms that serve the poor look at **www.caledonia.org.uk**

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