

REINVIGORATING THE MEMBERSHIP EXPERIENCE

In 2015, the Co-operative Group embarked on a 3-year Rebuild process that was focused on restoring the business to its rightful place at the heart of communities up and down the UK.

The vision centred on putting Membership back at the heart of the Co-op, tangible proof of the Co-op purpose, and demonstrating a different, better way of doing business for its customers and the community.

The History of the Co-op

The original values and principles of the Rochdale Pioneers were set back in the middle of the 19th century. As a co-operative society, the organisation is owned by its members, and puts those members at the heart of the business. The business now is the largest consumer co-operative in the UK, with a proud, ethical heritage:

- 150-year history of trading
- 70,000 employees
- 4,500 locations
- 4.5m members and owners

It operates five business areas: Food, Electricals, Funeral Care, Insurance, Legal Services and a Group support centre.

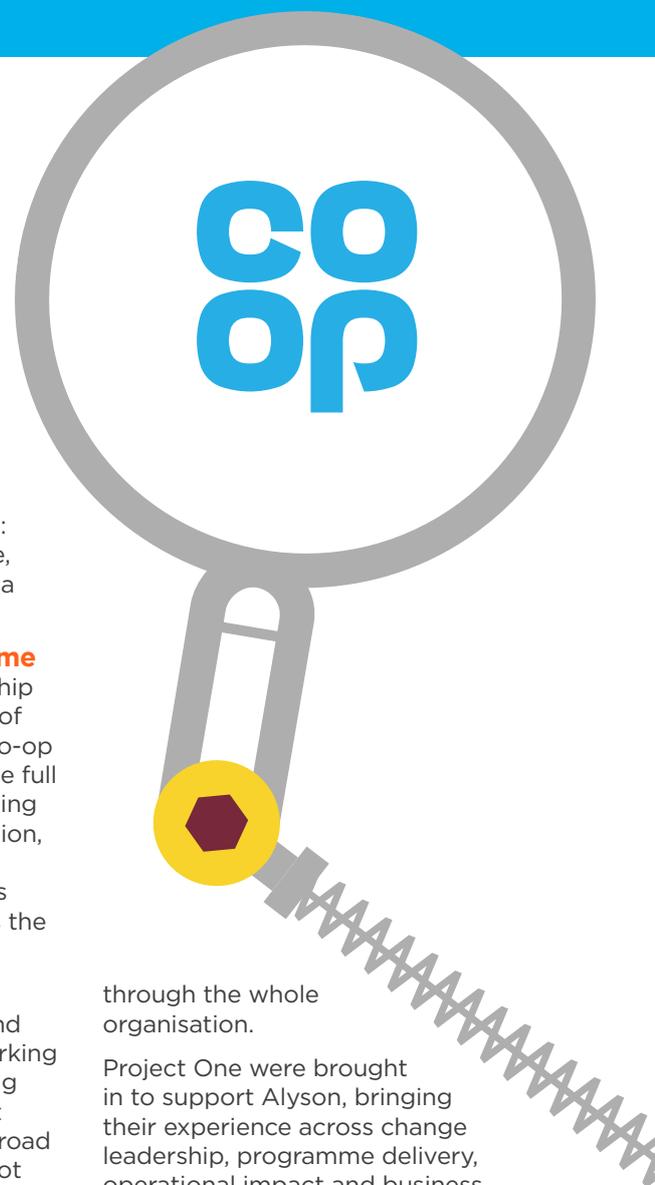
The Membership Programme

Established under the leadership of Alyson Chadwick, Director of Strategy and Proposition at Co-op Group, the programme had the full remit from defining and agreeing the new Membership proposition, through to implementing the required business and systems changes and launching across the UK.

The programme involved the Group Exec, Board, Council and Business Executive teams, working together to shape a compelling and meaningful proposition. It was vital to have senior and broad involvement; Membership is not a bolt-on or a loyalty scheme, it is the 'golden thread' running

through the whole organisation.

Project One were brought in to support Alyson, bringing their experience across change leadership, programme delivery, operational impact and business change.



THE CHALLENGES

and the approach to solving them

1. MEMBER AMBITION

Aligning ambition

At a high level the ambition was clear but the proposition and mechanics needed detailing and aligning across Co-op Exec, Board, Council and Business Leaders.

The key here was in pulling together the propositional strands and working across the different stakeholder groups. Alyson brought the required strategic thinking and innovative ideas. Project One supported in helping shape and refine the proposition and mechanics working alongside Alyson to share, debate and refine how the proposition would work in practice.

2. EXPERIENCE

Bringing the member journey to life

Co-op wanted their customers and members to have a distinct experience. An end-to-end Member Experience Map was created to help shape this.

The approach was to determine how the whole set of propositions worked, starting with potential shoppers and existing customers, mapping out the ongoing Membership experience:

- **How would the customers and members act, think and feel?**
- **What would the shopping experience look like?**
- **How would they get to know about Membership?**

- **What would the joining experience be like?**
- **How could they get involved more in their community working with Co-op colleagues?**

The whole customer journey was mapped out and iterated with the proposition to optimise both and to bring the overall solution to life. It was a key reference piece, used to help understand the operational impact, specify business change requirements and later on, to assure the solution.

3. CAPABILITIES

Understanding the impact on operations and the ways of working

The customer and proposition journey were translated into an overall Co-op wide capability map, showing the required 'ways of working' within and across all business units.

The implications on the five businesses and the Group support functions were complex and needed to be clearly set out. From the customer and member journey map, the key future capabilities required to deliver the target experience were identified, specifying the key objectives and outcomes of each capability and how these would be operated through process, people and technology.

This allowed all business areas to understand what needed to change or be developed. The resulting future operating vision then helped each business to

build its own Change and Readiness plans.

Project One used their 'Operating Model' expertise to show clearly what the operating implications were, supporting Alyson in shaping conversations across the Co-op to ensure all Business leaders and their change teams understood the overall impact and were driving aligned plans.

4. BUSINESS IMPACT

Managing the significant change in the ways of working across the Co-op

The Change Landscape was complex. It was crucially important to understand the real impact this would have on all elements of the businesses.

Each of the businesses areas were fully engaged with the detail on how they would execute the new Membership Proposition and what would need to change.

This involved an intensive exercise with Enterprise and Change Leaders from each business and central function, using the future capability model to inform a structured set of impact assessments. This also captured a view on what effort would be required, so this could be summarised up to an overall programme level, business change plan. In addition, a common business change approach was agreed, that involved a central programme team, co-ordinating a network of change agents across the business units.

“WHEN WE WERE FACING SPECIFIC CHALLENGES IN THE PROGRAMME PROJECT ONE HELPED US TO CONSIDER THE WIDER CONTEXT AND BROUGHT EXPERIENCE FROM OTHER CLIENTS. WE WERE ABLE TO TAKE A BROADER VIEW OF OPTIONS AND THINGS TO WATCH OUT FOR. IT WAS GOOD TO GET DIFFERENT PERSPECTIVES.”

Alyson Chadwick - Director of Strategy, The Co-op

5. DELIVERY

Introducing Agile

The delivery environment was complex, with the delivery approach changing from Waterfall to a bi-model Agile and Waterfall approach, with new external Systems Integrators and Agile teams.

Agile was introduced to help ensure that the member design was set up to test, learn and evolve. The core enterprise technology and internal capabilities would continue to be developed according to existing waterfall methods.

This presented three key challenges to cover off:

1. A need to educate the business teams on the ways and means of agile delivery. This involved Alyson hosting a dinner with some of the leadership team where Project One brought in views from similar work in other organisations.
2. The programme delivery

structure needed to be optimised and Project One brought in their views on how to separate out the ‘what needs to be delivered’ from the ‘how it should be delivered’ and how best to align the waterfall and agile delivery elements into an overall release delivery approach.

3. The change of approach led to some increased risks to delivery. An assurance exercise mapped the latest solutions back to the proposition and original ambition against the member journey, with Alyson then driving the resulting actions to ensure the day one proposition remained robust.

6. LAUNCH

A staged launch approach

The launch approach was critical, with an ambition to make an announcement at the Co-op AGM.

This ambition set a time-box for delivering a great

proposition whilst managing launch risk. A carefully planned phased launch was designed that allowed the programme to understand how the Membership capability worked in practice and helped Co-op colleagues to be part of early iterations and improvements.

Alyson navigated a clear path through the launch approach and how the phasing would work. The emphasis at this time was on open, two-way communication and colleague readiness. It was critical to map through the business processes and understand what work-arounds were required, especially for the early pilot, when the full solution was not in place.

“YOU WERE A REAL PART OF THE TEAM, LIVING THROUGH EVERYTHING WITH US. YOU WANTED THE BEST OUTCOME FOR US.”

WHAT WE ALL LEARNED

Everyone involved knew that programmes such as this don't come along often. It's a fantastic opportunity to really make a difference, and to be reminded of the important things in any programme, together with those that are more novel:

- **The Right Leadership:** There were several times where the leadership cut through to the core and helped people focus on the right things. Alyson as Accountable Lead for the programme maintained the vision and ambition, steering a clear course through some difficult challenges.
- **Clarity first - Pace Second!** Taking the strategy and making it more granular, more detailed and ultimately more deliverable, was an important first step. Establishing the clarity that then allowed everyone to understand the part they play, get on and deliver, at pace.
- **Appropriate Structure:** Virtual, cross-functional teams were established, comprising people with strong subject matter expertise, but not necessarily, backgrounds in programmes or delivery. They were supported by an appropriate framework, structure and set of disciplines, around which everyone could work well.
- **Shared Experience:** No matter how much a programme is believed to be unique, there was a recognition here that we can still learn from others. Project One facilitated this by linking the team to others doing similar or related work, giving everyone an opportunity to reflect, learn and then press ahead with confidence.
- **Optimal Delivery:** Different parts of this programme needed to be delivered in different ways. Agile, waterfall, and pilot approaches all had their place, and through this programme, much has been learned about where each of these best fit going forward.

“THE EXPERIENCE, TOOLS AND FRAMEWORKS THAT YOU BROUGHT HELPED US TAKE THE STRATEGY, DROP IT DOWN TO A MORE GRANULAR LEVEL, AND FEED THAT THROUGH TO THE DELIVERY TEAMS.”

Alyson Chadwick - Director of Strategy, The Co-op

WHAT THE PROGRAMME DELIVERED

- **A clear unified Member proposition** across the Co-op. All businesses offering '5% for You, 1% for Your Community'.
- **Always more for members,** building on the core offer, the Membership proposition was strengthened through additional business-specific Membership propositions.
- **Significant new business capability embedded and delivering the strategic ambition.** Managed Change and Readiness with the businesses and ready to catch, land and embed change.
- **A remarkable and successful Membership launch,** celebrated by Co-op colleagues, wider Members and well-regarded by industry analysts.
- **A growing Membership base,** increasingly engaged in the proposition
- **A vibrant set of local causes in each Co-op community,** benefitting from Co-op and Member contributions and resources to help make local life better.

The results so far are fantastic with over £3m created for over 4,000 local projects that are selected by the Members. For example:

- **Helping to build a new lifeboat station in Southport**
- **Helping Meanwood Valley Urban Farm carry on its educational work with school children and disabled people in Leeds**

Giving practical help to people in Glasgow through Starter Packs that provide everyday essentials for people starting to live independently.

NEXT STEPS

So, where does the work go from here? Already Co-op Members are realising significant value through their 5% reward, and their involvement in the way in which the 'Co-op Local Community Fund' is spent across their community.

The next stage of this journey is set to be really exciting as Co-op build out the Community model. It's a distinctly Co-op way of working. It's 'Back to Being Co-op'. We'll be

keeping a close eye on how this evolves bringing together Co-op colleagues, members and local organisations to make our local life better.

