RISE!

Empowering Australian workers through the collective spirit and collaborative energy of unions.

By Belinda Moore
& Chris Walton

Contents

1. Introduction

A lot has changed in 25 years…

Twenty-five years ago franking machines were common in offices, many thought websites were a passing fad, Google didn't exist, membership fees were paid by cheque, cameras needed film, dial-up modems made a loud noise, and we were genuinely excited when our office bought a new fax machine.

Just 16 years ago, MySpace was popular (Facebook was not public until 2006), social media was unknown, Blackberry phones dominated and digital cameras were cool.

A mere 11 years ago, the iPhone started to change the way we interact with the world, we were introduced to the joys of Apps, Twitter rose to popularity, and our daily lives started to become inextricably entwined with the internet.

The past six years has seen the rapid rise of the on-demand economy and apps such as Spotify, Airbnb, Airtasker, and Fivver enable us to outsource various tasks in our lives and gain access to the assets and skills of others – as and when we need them.

These changes were caused by powerful forces …

A range of different trends converged to create the rapid pace of change over the past 25 years. These trends included:

- **Technology** – Rapid advances in technology including smart phones, marketing automation, machine thinking and artificial intelligence – and the ever-decreasing costs of these solutions – has transformed our daily lives.

- **Communication** – Innovations in technology have led to an increase in the pace of communication, a shortening of news cycles and a fragmentation of communication media and channels.

- **Generational** – A generational shift means those responsible for the growth of the union movement are beginning to exit the workforce – to be replaced by groups who have different expectations and desires from union membership.

- **Employment** – There has been a significant shift in how people work, including a shift to a casualised workforce, the gig economy, and multiple careers over a single lifetime. This has changed the concept of a "worker" and created a range of new opportunities to serve this group (that are not being realised).

- **Competition** – The growing number of organisations who compete with some (or all) of the value proposition unions deliver to members has led to a "death by a thousand cuts" to the union offering. For example, the Fair Work Ombudsman fielded 380,000 phone calls and more than 18 million visits to its website (2018-19 Annual Report). These were interactions that could have been had with a union.

When we thought the pace of change could not get any faster, the COVID-19 crisis hit.

The advent of COVID-19 has accelerated the pace of change beyond anything we could have imagined. As we write this paper, in May 2020, the scale and pace of change over the past several months has been breathtaking and shows no signs of slowing down. It is clear we can expect ongoing fundamental changes to technology and notions of work and community.

Among this change, the constant is that the underpinning logic and framework of unionism remains both sound and essential.

It is beyond doubt that unions play a critical role in our society and in the lives of workers - whether those workers realise it or not.

Unions are an essential requirement for a fair, just and equitable society. Our key motivation for this paper is the evidence that organised workers and collective bargaining makes a significant positive difference to workers, but too few workers are benefiting with the way unions are currently structured.

The negative ramifications of a weakened union movement on society cannot be overstated.

This makes the decline in the proportion of people in the workforce joining unions - dropping from 40% in 1990 to fewer than 15% today - of significant concern. This decline is eroding the influence of the union movement and will lead to increasing job insecurity, flatlining wages, a weaker economy, a decline in living standards, and rising inequity in our society.
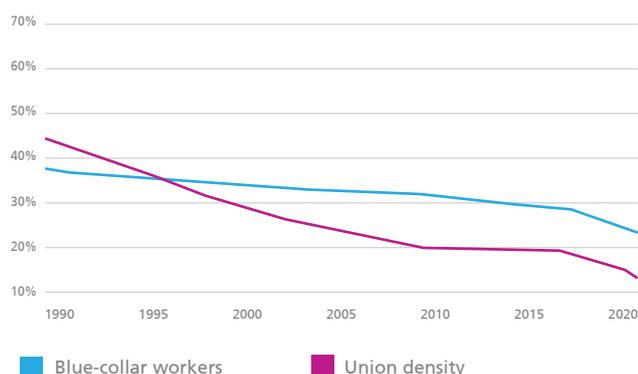
The pathways that took unions to past glories will not lead to the same end today.

It is undeniable that the union movement has achieved many amazing successes for workers in the past but society has changed and the strategies that worked before are no longer effective.

Doing more of the same and expecting a different result is not smart. The workers of Australia, and ultimately our whole society, deserve unions which can recognise that times have changed – and adapt accordingly.

Renewal and revitalisation of the movement is needed for unions to thrive.

All organisations need regular renewal and revitalisation to ensure they are delivering outcomes efficiently. Yet there has been relatively little fundamental change to the structures and processes that underpin unions in many years.

A generation of union leaders led the change by organising in ways that worked well in the past. Times have changed and unions must now build on those solid foundations by undertaking the transformational renewal and revitalisation necessary to effectively represent workers into the future.

The union movement is facing an existential crisis that only transformational change will overcome.

Without immediate and rapid action, some unions will be unable to adapt and will find themselves obsolete. They will be replaced quickly by newer, more adaptable competitors. For those debilitated organisations, the current pace of change represents an impending apocalypse which they will not be able to survive.

Unions which can successfully adapt have a unique opportunity to transform into something more powerful than before.

Blue-collar workers   Union density

Unions were not created to help members during the good times; they were created to help members through the worst of times. And that time is now …

The past successes of the union movement will not motivate modern workers to join. Their desire to engage is based on what unions can do for them today and in the future.

Unions must actively adapt to the needs of modern workers and not expect workers to conform to traditional union models. This requires accepting there has been a significant change in the way workers want to interact and benefit from unions – and being prepared to decisively adapt.

"Transformational change means being prepared to fundamentally realign the business and membership models to ensure unions are best meeting the needs of the modern worker."

The COVID-19 crisis has created an opportunity for unions to powerfully demonstrate their value to the broader Australian workforce. Right now, unions should continue to look for ways to deliver innovative and powerful outcomes for members through:

- Effectively mobilising and exerting influence with governments to secure the short, medium and long-term support necessary to protect the workers they represent.
- Delivering powerful, personalised and timely value directly to those members who are struggling and in need of support; and
- Facilitating an active online community that enables members to connect directly to provide each other with support, assistance and advice – which has the added benefit of strengthening the bonds of the collective
- Leveraging existing strengths by utilising digital techniques to improve organising and collectively bargaining, particularly to address industry wide issues.

If unions allow themselves to be driven by the needs of the members of their professions, vocations and industries, they will be successful. Unions need to do so with an eye on the needs of the country so that we can all truly have a successful "Common-wealth".

Transformational change means being prepared to fundamentally realign the business and membership models to ensure unions are best meeting the needs of the modern worker.

There are a raft of new business and membership models that provide the opportunity for unions to transform their relationship with the workers they represent.

Unions should be taking the "if we were to open our doors for the first-time tomorrow what would we look like approach" to fully assess all possible options.

Unions should also strengthen their key enablers to maximise their chances of success.

To ensure the success of a new business and membership models and position the union for sustained growth, the following operational areas must be optimised:

- A visionary leadership team united by a shared understanding and passion for the purpose of the organisation.
- The ability to convert a shared vision into a practical strategy.
- Robust governance structures that provide the foundations for effective leadership.
- Software that creates internal efficiencies and consistently powerful outcomes for members.
- A passionate, purpose-driven, culture throughout the organisation.
- A structure that supports and prioritises effective organising outcomes
- A powerful branding and positioning strategy that positions the union for the future.
- Proactive sales and marketing to ensure sustainability.

- Robust financial management and reporting that usefully informs decision making and oversight.
- A focus on strategic membership growth.

To engage and mobilise a broader cross-section of society, unions must be able to "mass personalise" their membership offering.

Membership is traditionally a time and resource-hungry venture. An increase in membership does not necessarily come with economies of scale. Until now.

Advances in social media and digital advertising, data mining, machine-thinking, and other technologies means that savvy unions can develop pathways to deliver a highly personalised membership experience to every member.

Those unions who can successfully achieve this will become virtually unassailable. They will have the ability to grow rapidly and extend their influence broadly.

These solutions are underpinned by a deep understanding of the workers being served, their needs and desires, and the minutiae of the member recruitment and retention cycle.

The actions unions take today will determine the future of the union movement.

The context in which all the above occurs matters. Given the rules under which unions operate are not fair, it makes it harder to grow.

But there is much unions do control, and much they can change.

By embracing these changes and reaching out to thousands of new workers in a contemporary way, the logic of the argument for change will grow as the stories of real people are heard. The strength of those voices will grow and become harder to ignore.

Society needs the union movement to be strong. The union movement needs to work together to make that happen.

The fundamental truth that people are better off by working together will never change. Whether it is our families, our communities or our sporting teams or our workplaces and industries, a collective spirit, wisdom and teamwork will always achieve a better result.

Ensuring the individual benefits by being part of something bigger, by working towards common goals, by caring for and supporting each other and finding strength in the common voice, is essential to achieve human progress.

We hope that history will remember today's union leaders as having the foresight to understand the need for change and being bold enough to act decisively.

It is not easy to change. Change has been driven before and must be led again.

We have written this paper out of a belief in the importance of unions to society. By outlining the seismic shift going on we hope to encourage a recognition of the need for change and provide a practical framework to achieve success.

At its heart, our message is simple: Ensure we fit the contemporary needs of workers rather than them being asked to fit us; Ensure we can connect with them and organise them in a modern way using all the new tools available.

The operating landscape for unions is changing so dramatically that unions need to transform fundamentally, to survive. This kind of change cannot happen overnight, and unions must begin work now to ensure a successful future for Australian workers and for our communities.

We are looking forward to unions' sharing their stories of innovation and success so we can all learn and support each other.

Warm regards,

Belinda Moore & Chris Walton
Co-Authors

2. About the authors

Belinda Moore

Belinda Moore has assisted thousands of not-for-profit organisations with their strategic and membership challenges over more than 25 years working in the sector. She specialises in training, motivating and up-skilling boards, staff, and volunteers to improve performance and outcomes. Known for her enthusiastic and engaging style, Belinda can speak knowledgeably on an array of topics relating to organisation strategy, business models, and membership. Revealing insights from her personal and professional experiences, she ensures that participants walk away with practical ideas and information they can immediately apply.

Belinda has written four books: *The Membership Machine, Membership Fundamentals*, *The Membership Managers' Handbook*, and *Association Annie: Herding Cats*. She authored the white papers *Association Apocalypse* and *Membership is Dead?* and writes the popular *Association Annie* comic strips.

She has worked at **Strategic Membership Solutions (SMS)** for the past 13 years. SMS is a consultancy dedicated to assisting associations, unions, sporting clubs, charities, and other non-profits transition to the new operating landscape.

✉ belinda@smsonline.net.au

Chris Walton

Chris Walton has more than 34 years' experience working with unions driving initiatives to achieve change and growth. He has first-hand experience as a recruiter, organiser, lead organiser, industrial officer, trainer and leader of peak body and national union. His experiences include running the **Organising Works** program, the **ACTU Organising Centre** and while **Assistant Secretary of the ACTU**, coordinating the community and ground component of the *Your Rights at Work* Campaign.

He has worked to support hundreds of leaders and staff in unions and helped facilitate union change. Over the last 11 years he has driven a significant change process in **Professionals Australia** including a digital transformation. With his depth of experience and passion for the role of unions he is known for the practical and sympathetic support he provides.

He is now the CEO of the **Union Innovation Hub**, an initiative of the ACTU. The HUB will support unions to innovate via a raft of initiatives including: substantially reduce the cost of moving to a modern CRM system, helping unions share the costs of innovation, developing new services, and sharing best practice.

✉ cwalton@uhub.org.au
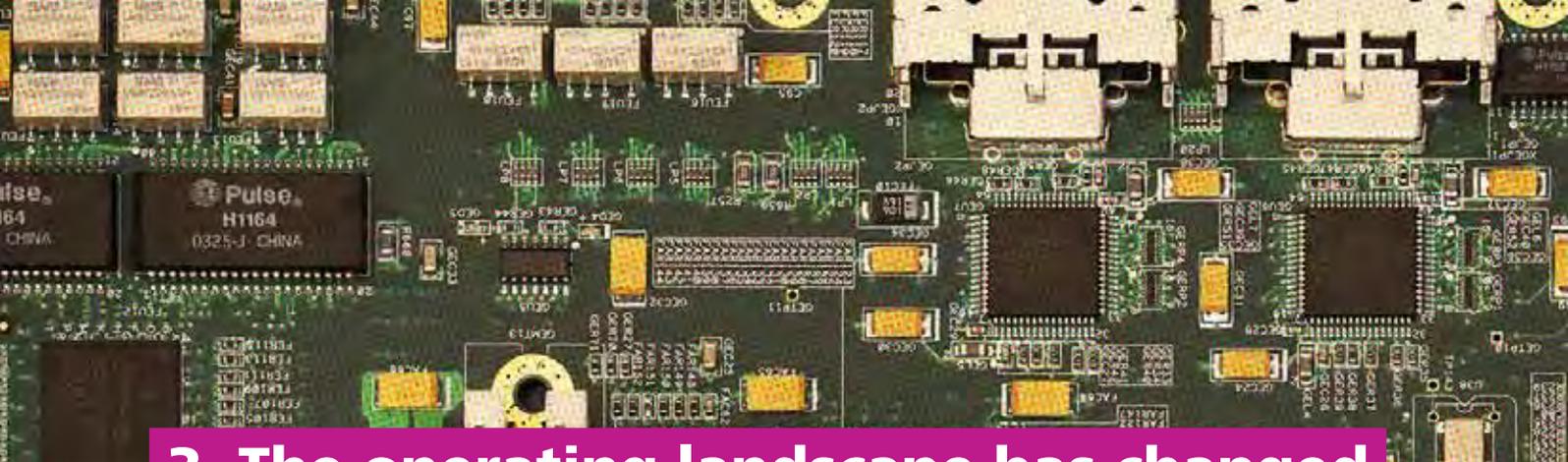
3. The operating landscape has changed irrevocably and rapidly

Even before the COVID-19 crisis, many factors were already changing the operational landscape rapidly for unions. The speed of change has now accelerated, and unions must act quickly to adapt. Some of the key changes impacting on unions include:

- Rapid advances in technology.
- Changes to the way people communicate.
- Shifts in the generations making up the workforce.
- Changes to the way people work.
- An influx of new and innovative competitors, and
- The impact of COVID-19.

3.1. Rapid advances in technology

The COVID-19 crisis has significantly accelerated the widespread adoption of online technologies and it is now critical for unions to be at the forefront of technological adoption.

Digital innovation is essential to union transformation and growth. Great software, such as iMIS, with the staff capable of using it, is essential to a well-run union and, implemented effectively, it can enable:

- A highly personalised experience for each member.
- More efficient campaigning and assessment of organising sites.
- Better collaboration across the organisation.
- Reduced overheads and lower costs.
- Data and insights that usefully inform the union's planning and decision-making processes.
- Significant operational efficiencies.
- A higher standard of member servicing and case management.
- Improved retention with better member on-boarding and improved engagement.
- Better outcomes from call centre and field staff.
- Reduced time and costs of finding and analysing potential members and leaders.

As compelling as they are, these benefits pale into insignificance when you consider what is coming next.

3.1.1. Emerging technologies will force transformational change on all unions as they massively expand the union's ability to automatically generate highly tailored outcomes to each member.

The integration of machine-thinking and artificial intelligence into software is something many software vendors have in development.

These new and innovative technologies will enable unions to achieve outcomes beyond those we can fully comprehend right now. Imagine the following …

Your membership software tracks the emails your members open; what subject lines work best; what links they click; what time they open emails; what articles they open and read; what services they access; what campaign activities they do; what events or meetings they attend; how they rate those events; and every other interaction they have with you – whether online, offline or via a related party.

Now your software combines that data with all the other data your organisation holds on each member (education level, where they live, their age, interests).

Your software knows when to send emails to maximise opening potential, the subject lines most likely to generate a response and the incentives most likely to excite each individual member in a personalised way.

The software writes your communications, without the input of staff, making an infinite amount of personalisation easily achievable and all in real time, ensuring members get their information promptly and how they want it, every time.

Beyond that, your software cross-references the data it holds against similar members and predicts the services and activities each of your members want – before they even realise themselves.

Imagine your members connecting directly with each other in real time to find solutions to their problems.

It will enable unions to immediately analyse and apply insights to enhance the individual member's experience. Existing membership categories will eventually become obsolete as each member receives a solution directly tailored to their needs, desires, actions, and reactions.

Imagine having that insight and intelligence when encouraging lists of potential members to join. This kind of software could enable the unions to tap into previously difficult or inaccessible opportunities to grow.

As the increasing affordability of these solutions leads to widespread uptake among unions, it will create a massive impetus for fundamental changes to the way unions operate. Pricing and business models will change. The organisational chart of unions will significantly transform. As these new technologies take hold it will affect every function of every union.

3.1.2. Unions who successfully adopt these new technologies will have an almost unassailable advantage

The appeal of these innovative technologies is undeniable and, as they become affordable, take-up by the sector will be swift. New software competitors will emerge, seeking to meet the needs of workers.

The successful implementation of this technology will provide unions with the ability to rapidly expand into related or new areas - where they may not have ventured previously - which will be essential to growth.

A major challenge for early adopters will be the development and implementation of the technology itself, which will require significant planning and resourcing.

3.1.3. Unions are hampered by a lack of technological expertise

Many unions are hampered by a lack of knowledge about technology. This is not surprising because even the basic acronyms can be confusing with many people still not understanding the difference between CRM (Customer Relationship Management), CMS (Content Management System), Marketing Automation and LMS (Learning Management System)

To be able to make informed decisions about the right technology, unions must increase their skills and knowledge to avoid selecting an option (such as WordPress) because it is cheap and easy to understand, rather than the best option.

Unions need to avoid spending a small fortune on a membership/CRM system which does not enable the innovation, costs a huge amount to construct and leaves the union on the hook for ongoing consultancy fees.

3.1.4. Unions must become adept at finding and implementing technological solutions

Traditionally, unions have been slow to adapt to technological innovation. To survive into the future unions must become technological innovators. Rather than being a passive customer in the technology selection process, unions must proactively exert influence over software vendors to ensure they are creating the right solutions at the right price.

Unions will gain huge benefits if they appropriate technological implementation collectively to reduce the costs and share innovation. If most unions choose a common CRM system, and share the costs of configuring the system, rapid technological progress is achievable and affordable.

The Union Innovation Hub, developed by the ACTU, is one of the first examples of this. The Hub has negotiated for unions to access best of bread software, such as iMIS, at reduced cost; will construct at under half the cost and will for a user's group to share innovation.

3.2. Changes to the way people communicate

As a society we are highly connected and consume information voraciously through numerous online and offline channels. We want to be up to date with what is happening … while it is happening.

If the information is interesting, relevant, and tailored we want to know it. However, we do not want to be "spammed" with every piece of news the union wants to release. We are all drowning in a never-ending stream of communications that bombard us.

If a union is continually sending irrelevant messages we will stop listening.

The effective use of traditional and new media (aided by technology) is critically important to managing and targeting communications successfully.

Marketing experience and expertise inside unions is more crucial than ever to remain competitive. It is critical unions have a digital marketing specialist as part of their team.

Research shows most members are unlikely to join only for a collective ethos, preferring tangible individual value. This does not mean they cannot be organised, but unions must also provide individual utility.

Given a diverse member base, the way in which unions engage and provide value to each segment of membership is challenging.

3.2.1. Segmentation of message and delivery medium to different members is essential

Many unions send the same information or bulletin to members, no matter what their occupation, industry or career stage.

The only way unions can effectively engage is if they meet members where they are and eliminate the one-size-fits-all approach to membership.

Unions need to better articulate value and highlight the most appropriate services and messages to each segment of membership.

The proliferation of communication channels and the fact unions are serving many different tribes – which all like to consume information differently – makes effective communication both a significant challenge and a key determinant of union success.

One union has now introduced a member portal where every member has their own home page. Because the website is integrated with the CRM system, the material shown is personal and unique to that person's segment or demographic. This has led to greater awareness and use of services (engagement) and significantly improved retention.

3.2.2. Ensure each communication sends the right message, to the right person, at the right time, via the right channel

Unions must approach internal and external communication in a strategic manner that cuts through the clutter. Just sending an email is not effectively communicating a message. Instead, effective communication is understanding:

- The action you want your communication to inspire (such as registering for a webinar).
- Which individuals need to receive the communication for that action to happen.
- Which communication media and formats will get their attention (it may be more than one).
- How to construct a message and offer that will inspire the recipient to take the action you want.

The internal and external communications strategy of unions must link to the goals within the strategic plan of the union.

3.2.3. Communication effectiveness should be measured by the outcomes created

Every communication issued, whether an e-bulletin, magazine, annual report or recruitment campaign, must have a measurable purpose. For example, measuring the success of a social media campaign to generate signatures on an online petition by the number of "clicks" is illogical.

The success of the campaign should be measured by the number of names and contact details generated. Click numbers are secondary.

3.2.4. Use data to refine your communications

Efficient data collection and analysis will allow unions to consistently refine the approach, targeting the marketing, repeating and expanding on what works, building on services with a high engagement and retention impact, and limiting resources dedicated to less engaging services.

Good data enables unions to determine more scientifically what a member is likely to be interested in, track engagement and drive further interaction based on their revealed preferences. Using data collected, some unions are developing personas for each segment of members to enable targeted communication.

These can be used to tailor email and digital marketing, website content, member and non-member automated journeys, call centre scripting, field staff messages, retention processes and growth strategies.

3.2.5. Online is becoming the primary two-way interface with the majority of members

Hastened by the advent of COVID-19, many services unions provide for members are moving online. In the future, most will be delivered online. For those delivered physically or in person, most are bookable online.

To better facilitate this interaction, dynamic online communities, such as Higher Logic or Trybz, enable members to engage with the union – and other members directly – are rapidly gaining traction in unions.

Supported by a modern CRM system, these online communities provide a user experience like Facebook and include:

- An intuitive, easy-to-use interface that feels familiar.
- A highly personalised newsfeed that presents the user with the services, information, and campaigns relevant to them.
- Strong marketing automation that enables unions to progress members along identified journeys and deliver a consistently positive user experience.
- A powerful CRM that ensures ongoing refinement of personalisation and the extraction of useful insights that can inform the union's decision-making processes.
- The ability to gain a detailed understanding of a member's engagement, and the average engagement for each member segment.
- Strong pathways into membership.

The successful implementation of these communities makes engaging with existing members, and recruiting new members, easier than ever.

3.2.6. Tracking engagement

By tracking the engagement or activity through a CRM, at-risk members can be identified, next best actions encouraged and the interest of different segments in services assessed.

This is particularly useful in workplace organising and campaigning, enabling identification of potential leaders and warm potential members.

3.3. Shifts in the generations making up the workforce

Unions need to bridge an ever-widening generational divide. They must be able to pivot enough to create an organisation younger people want to join while also retaining (and not alienating) existing members.

The generational diversity in the workforce today is unparalleled in history. The rapid evolution of our society over the past 50 years has created a situation where our eldest members were born into a world to which our youngest members do not relate.

This massive gap between generational perspectives has created a range of challenges for unions who need to make significant and fundamental changes to appeal to the younger market while putting in place strategies to avoid alienating the existing members.

3.3.1. Baby Boomers built the unions we know today

Baby Boomers started their adult lives determined to change the world and they have certainly done so. During their working lives they have been the most likely to join, the most likely to renew, and the most likely to volunteer with unions.

The fact that Baby Boomers were willing to contribute their time and expertise to develop the unions they have joined, strongly contributed to the rise in the number and strength of member-based organisations from the 1950s onwards.

While there are indications from the research that younger members are showing greater tendencies to volunteer than Baby Boomers, there is a significant difference in the way each group executes that desire.

The younger generation wants to engage with organisations they see as aspirational so they can contribute to the achievement of the purpose. Conversely, Baby Boomers are more willing to join a union that "needs some work" and has not yet become aspirational.

3.3.2. Baby Boomers have started to retire

In 2011 the first Baby Boomers turned 65 and, finances permitting, the cohort is starting to retire in significant numbers. By 2029 most Baby Boomers will be retired and by 2034, the last of the generation will be 70 and very few members of this generation will still be active within their unions.

First Baby Boomers turned 65

Most Baby Boomers will retire

Last of the Baby Boomer generation will be 70

2011   2029   2034

It will not be long before the membership - and staff - of every union will consist of people from Generation X, Generation Y (Millennials) and Generation Z.

This heralds a massive change for unions because they can no longer rely on the active, engaged, and supportive Baby Boomer cohort for their growth.

The one mitigating factor is the economic issues facing many Baby Boomers today. The lifestyle aspirations of the Baby Boomers mean that nice cars, holidays and other luxuries are "needs" not "wants".

This, combined with the effect of the recent economic turmoil on investments and retirement savings, is likely to see many Baby Boomers extend their retirement age past 65, with many already indicating they will need to work until 75 to achieve their financial goals.

These extended retirement dates will soften the impact of this generation's departure from the workforce. This is temporary and not a reason to delay change.

3.3.3. Baby Boomers designed unions entirely to their own tastes and preferences

While the legacy of the Baby Boomers is an extremely positive one, their passion meant they built unions entirely to their own tastes.

Because Baby Boomers are so actively involved in their unions, the services, events, publications, communications, marketing, and decision-making structures within most unions are often geared almost entirely towards this group.

Many unions have concentrated their time and financial resources towards Baby Boomer-orientated activities at the expense of investing resources into services and activities geared towards younger people.

Appealing to younger generations effectively requires an innovative, proactive and member-responsive culture throughout the entire union.

This is not just starting a Facebook page. It is not setting up a Young Member group that is not resourced or connected to any other parts of the union. It certainly is not a committee made up almost entirely of white men over the age of 50 making decisions about the needs of younger members.

The kind of change required needs to be embedded through the entire organisation.

3.3.4. The younger generation has different needs and expectations from its membership

Generation X grew up during times of high divorce rates where it was likely that both parents were working. They are highly independent and very protective of their work-life balance.

Generation Y grew up with the internet and a constant barrage of messages from a variety of media. They are highly educated, innovative, entrepreneurial, cause driven, marketing savvy and globally focused. They are aspirational and attracted to successful brands.

Generation Z are digital natives. They have never known a non-connected world. An exceptionally high-quality, seamless digital experience is an expectation about which they will not compromise. Interestingly, initial research indicates they have a higher propensity to join than even the Baby Boomers – but how they seek to engage is quite different.

Each group has vastly different expectations to Baby Boomers when it comes to union membership.

Younger members are unlikely to join unless the organisation can demonstrate tangible outcomes that justify the investment of time and/or money into a union – either for the prospective member or around a cause they wish to advance.

Younger members are constantly reassessing the value of the organisation to them, so your value needs regular reinforcing even after they join.

3.3.5. Younger members are loyal to people, not organisations

Younger people are not loyal to organisations. They are loyal to individuals. This can mean the departure of one charismatic union staff member or volunteer leader from the union can result in the loss of other members or staff. It is important to ensure that young members have many positive points of personal contact with the union to enhance their "stickiness" as a member.

3.3.6. Younger members crave a different membership experience that encompasses more than their job

Younger people are great at multi-tasking and seek to combine outcomes where possible. This creates an opportunity for unions to enable younger members to combine their strong societal values with the ability to enhance the member's career aspiration.

"Younger members are constantly reassessing the value of the organisation to them, so your value needs regular reinforcing even after they join."

Often young workers are not focused on potential work or industrial issues in their first few years at work.

The traditional union service of workplace assistance is often of little interest unless there is an immediate need. These young workers are interested in getting ahead and fitting in.

Young workers crave convenience, impact, and personalisation. They are used to ease and seek efficiency in the way they engage.

Unions must be able to provide a compelling value proposition as well as deliver it via a medium the younger worker enjoys. If the media are not easy-to-use, they will not be used. And the union will be perceived negatively as a result.

3.3.7. How the union is perceived by the younger worker will impact their likelihood of joining

Younger workers will carry a pre-conception about the union movement that will impact their likelihood of joining. When engaging with this group it is crucial to carefully select how you wish to be positioned and ensure all touchpoints with younger members reinforce this.

Young workers are not willing to be a part of a union that "needs work", is "out of touch" or in decline. They would rather be associated with a responsive, innovative, socially aware organisation experiencing strong success. If they cannot find that, they will look elsewhere. If they cannot find a solution elsewhere, they are just as likely to start a new network that solves their specific issue.

3.3.8. Union leaders must be prepared to make the changes necessary to move forward

There are still Baby Boomers in leadership roles who mistakenly believe the union can return to a "Golden Age" if they just stick to what worked in the past.

This will not happen.

What worked for Baby Boomer members will have the opposite effect on younger generations. Allowing a union to cling to past practices that are no longer effective will result in its demise in the coming years.

The key is to find the contemporary needs and wants of younger workers and ensure the union meets those needs rather than asking the young workers to fit old models.

This does not mean alienating the older worker but instead finding a way to bridge the generational divide so that the younger worker feels they are a welcome and valued part of the collective.

3.4. Changes to the way people work

There has been a rapid transformation in the way people work, with many factors converging to reinvent the nature of "work". It is essential the union membership models be updated to reflect these changes and provide a "home" for every worker – no matter their model of work.

People in insecure work =
almost **40%** *of the workforce*

To remain relevant to the future workforce, unions must reach out to workers in newer industries as well as those in casual, fixed term, contract and gig economy work - now representing almost 40% of the workforce.

3.4.1. 40% of jobs will not exist in 30 years – but a raft of new ones will emerge

The advent of artificial intelligence, business bots, autonomous robots and other technology advances is replacing existing jobs at an ever-increasing pace.

This is not limited to traditional blue-collar jobs. Artificial Intelligence is already being used to replace lawyers and doctors – demonstrating clearly that there are few jobs that can be considered safe.

Those in roles where qualitative decisions need to be made, or where relationship building skills are required, will fare better than others.

There is a role for unions to provide support for workers in affected industries and, where necessary, assist them to transition or adapt.

There will also be an opportunity for new unions to rise, or existing unions to expand, to represent workers in emerging industries and those industries that do not yet exist.

3.4.2. Increase in take-up and acceptance of work from home

COVID-19 has accelerated acceptance of working from home and this creates several challenges for unions trying to get access to existing and potential members.

Already union organisers have had to adapt given access to many workplaces is not possible. The need for digital innovation has never been more urgent. This crisis is creating the impetus for unions to find new ways to connect with workers - and to allow them to connect with each other - in ways that may be more efficient and effective that what has happened previously.

Many businesses and workers have functioned well remotely, and many will see opportunities to save on rent and commuting time.

This makes it likely that the trend to working from home will continue strongly after the pandemic, making it vital for unions to continue to refine the innovation that has already begun.

3.4.3. Increase in flexible employment models

The *Trends in union membership in Australia* (Gilfillan & McGann 2018) report noted that "part-time and/or casual employees (or employees without access to leave entitlements) are less likely to become union members and increasing use of this employee type by employers across a range of industries has contributed to the lowering of overall union density".

This is clearly an at-risk segment and unions should be looking at offerings that cater to this growing group.

3.4.4. The Gig Economy has created opportunities to deliver new offerings

The gig economy means that, instead of having 1000 full-time staff, an organisation may have 100 full-time staff and an on-call workforce of 5000 (who may also be working for other organisations).

While this may suit businesses, many people entering the gig workforce may be disadvantaged and need advice and new services, such as insurance.

While unions fight for fair safety nets of rights, this represents an opportunity for unions to develop new offerings to meet the needs of this group.

The rise of the gig economy means outsourcing is more popular than ever. This has the effect of limiting wage growth within affected industries and provides a febrile group for future action.

3.4.5. Bricks-and-mortar formats will change the nature of work for floor staff

Bricks-and-mortar stores that simply offer products without context or expertise will find it difficult to compete in the future. To survive, bricks-and-mortar stores must provide a compelling reason for customers to engage with them specifically. As a result, retail salespeople are moving from being traditional salespeople to subject matter experts. They are achieving this through things such as: a unique product offering; expertise offered during the purchase process; after-sales support and service; creating a unique and exciting customer experience. For many retail staff, this shift represents a change for which unions should be positioning themselves to assist.

3.5. An influx of new and innovative competitors which are disrupting the landscape

An influx of new and innovative competitors is disrupting the existing landscape. Unions must deal with these competitors by meeting the broader needs of workers and by achieving efficiencies in their federated structures.

There have always been competitors to unions. Often these only compete with some of the union's functions and services. Workers seek help with work issues from the Fair Work Ombudsman, law firms, HR, some associates or friends. Google is already a significant competitor for unions as young people will look for a solution online.

There are a rapidly increasing array of providers and platforms to help workers undertake training, network, find pay rates and obtain career advice. These competitors can seriously erode the value proposition of a union and, unfortunately, it has never been easier to compete.

Supported by readily available technology, enterprising individuals can easily create products and services that directly compete with unions – and even deliver it in a more digestible, more accessible format at lower cost.

Ultimately, these competitors are likely to fail in achieving real change for workers because they will not organise. But by pulling the commitment away from the union, they affect the union's ability to organise effectively. Unions must be prepared to expand their scope of services to provide a comprehensive solution to workers – or be the gateway to those solutions. If they do not, the damage to the future strength of the union will be significant.

3.5.1. Non-traditional and well-resourced competitors will enter traditional union territory

Workers are looking to have their needs met. Often unions are a place where workers can only have some needs fulfilled so they use Google to search for the other solutions they need, where possible for free.

The fastest growing and now largest Australian union, the Australian Nurses and Midwifery Federation, provides a much broader range of services than most unions. While still effective in traditional union functions such as bargaining, they meet a broader range of members' needs including professional development, insurance and the provision of a professional voice.

If unions do not fill the broad needs of workers, others will attempt to fill the space. Some of the biggest technology companies in the world are moving into this space and they have billions of dollars to spend to ensure success.

For example, LinkedIn provides direct access to the largest network of professionals in the world and a deep knowledge of each. It recently launched LinkedIn Learning with the tag-line "Courses for every step of your career. Instructors with real-world experience". LinkedIn is engaging and monetising its online community through providing professional development opportunities.

Learning to look beyond the traditional landscape to identify "left-field" competitors is an important skill set for a union wanting to successfully navigate into the future. Seeking similarly "left-field" solutions will enable them to adapt more effectively to this new environment.

3.5.2. Competition between unions will intensify as markets fragment and niches emerge

There is a risk of an increasingly competitive landscape among unions as fragmentation of some markets becomes unsustainable. As the workforce continues to change, traditional coverage will be challenged. This will not only create unhealthy demarcations, other groups will try to step in.

There are now hundreds of organisations trying to look after emerging niche groups of workers. Many are barely sustainable and their struggle to survive can distract them from realising the outcome for which they were established.

Without the capacity to ultimately organise workers for power, many of these groups will provide little but false hope. It is important to find pathways to repair this fragmentation.

3.5.3. Many federated unions will become single entities to ensure their survival

As the market continues to fragment, there will be strong trends towards mergers and consolidations between unions.

In Australia, unions are predominantly fractured in a federated structure. In some instances, there are valid reasons for a federated structure, and they operate effectively as a result.

However, for many unions their federated structure is a major inhibitor to achieving more powerful success. There will be significant pressure for unions to at least achieve back-end efficiencies in these structures.

Similarly, unions do not even pool their buying power when procuring goods and services. This seems particularly odd for organisations that believe in collective bargaining.

Federated structures often force unions to divert their attention from their core purpose to resolve ongoing internal politics and power struggles between some or all states and/or between some or all states and the national office. This distraction benefits no one and leaves the organisation vulnerable.

It is often difficult for federated structures to move forward effectively because they lack an effective decision-making process. While innovative ideas might exist within the structure, few of these entities have the processes in place to enable these ideas to progress. The fragmentation this creates leads to a negative effect on culture and provides fertile ground for duplication and inefficiency to thrive.

The savings from the removal of extensive duplication and overlap of work within federations would be significant.

As the operating landscape becomes more perilous, consolidation may be necessary for survival or to free up the resources to invest in innovation. It is better to look at options now rather than when the situation becomes desperate.

Those choosing to merge or amalgamate must monitor the merger process carefully. While a union is undergoing a merger, it is often vulnerable because staff and volunteer leaders are distracted while they work through the process.

It is also important mergers do not compromise the capacity for workers to identify with the union. Most unions growing in Australia have a strong vocational association with the membership. In larger unions this is still possible with sub-branding. For example, Professionals Australia has members who more clearly associate with Professional Pharmacists Australia and Professional Scientists Australia.

For these reasons, mergers must be managed to ensure they are quick and smooth. Once a merger is in play, individuals involved in the process need to comprehend that any attempt to derail an active merger process can impact the very survival of the union and a united push is necessary for a successful outcome. The outcome needs to be far bigger than the sum of the parts.
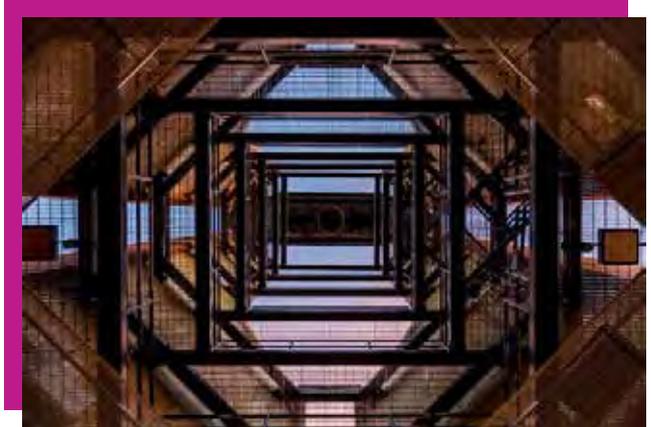
3.6. Climate change is happening, and its impact will be felt increasingly

Consensus among scientists is that places like Bangladesh and Miami will be gone within the century. Climate change will have a more direct and tangible impact on workers as government and business seeks to mitigate increasingly obvious and serious impacts.

We will see increasingly urgent action to deal with the impact of climate change on water supply, food supply, pandemic potential, air quality, global conflict, climate refugees and economic crisis.

Interestingly, COVID-19 has made it clear that there would be an immediate beneficial climate impact if we reduced all non-essential economic activity. With pollution levels in some of the worst-affected areas of the world dropping dramatically, we can see it is possible to make a difference. The virus impact is likely to be temporary, but it does bring hope for the future.

3.7. Shifting operational models of unions

For many years, unions have followed a traditional service provider operational model. It looks something like this:

- Members pay a fee to join. This can be paid annually or in instalments. Non-members have limited engagement.

- There is a strict delineation between member and non-members. Non-members are not always viewed kindly by members.

- The union develops and manages components (branches, special interest groups, committees) and discourages groups not controlled by the union. Due to the need to conserve resources, there is little duplication of components.

- The union determines its market segments and allocates members to a segment.

- The direction of communication is generally focused on the union "telling and informing" members. Most member engagement is with the union (or its representative) directly or via activities organised by the union.

- The union creates and distributes content.

- The union generates income predominantly through membership fees and some provision of services and third-party income streams (such as insurance).

- Most income is via activities provided by the union and coordinated by it. The union feels the need to own and control all products, services and activities related to its membership.

Some unions have realised that this model is no longer fit-for-purpose. In many ways, it is counter-productive to the purpose of unions. For example:

- If the union is organising on behalf of a vocation or industry, requiring someone to be a member adds a roadblock to greater participation.
- The union wants to ensure workers have access to the best possible products and services. There is no single organisation on the planet that does everything better than anyone else. Therefore, it would be illogical to think that the union could provide all the products and services its members need, more effectively than anyone else.
- If the union wants to engage people emotionally with the goals of the movement, then it needs to be able to provide pathways for people to connect directly to build those emotional ties. A one-to-many model does not make this easily achievable.

As a result of this, there is a shift towards community platform operating models (often these will incorporate a subscription-based membership model). It looks something like this:

- Members can join for free and paid upgrade options are available. These are flexible (people can upgrade when needed and downgrade when no longer needed). Strong value is built into the upgrades to deliver value and maintain fee income.
- Free members are welcome community participants.

- The union manages core components (such as organising committees) but encourages other groups and tribes to self-organise on its online community platform. It is the participants who create tribes, and the union that creates the eco-system to foster and nurture these. There are many non-core groups and often duplication.
- The union creates an online platform that enables members to engage and connect directly. Once momentum is built, most of the activity is by participants on the platform. Within that platform, participants create and distribute most content. Every user on the platform has a unique membership experience dictated by the groups they have followed, their purchase activity, the preferences they have chosen, and other behaviours.
- The union generates income via micro-transactions, upgrades, third-party programs, and the provision of core services.
- The union retains control of core activities (such as organising) while fostering a marketplace that provides the right solutions, to the right members, when they need them.

For unions to adapt into the future, they need to shift along the continuum from the traditional service provider models to community platform models that are better suited to the emerging operating environment.

3.8. The impact of COVID-19

As we write this paper, we are mid-way (hopefully) through this crisis. While anticipating the future is challenging, here a few observations:

3.8.1. Essential workers need frameworks to better position them for future crisis

The crisis has clarified the true essential versus non-essential roles in our society. With that we have uncovered weaknesses in how we ensure workers undertaking those roles can do so in a time of crisis. Roles like call centre workers, supermarket staff, cleaners, health staff and delivery people have gained recognition for the vital role they play in keeping our society running. There is much to be done in protecting those workers more effectively from the current and future crisis – and in ensuring their remuneration reflects the value they create for society.

3.8.2. An increase in people working from home creates an urgent need for unions to adapt their services and delivery channels

The shift to working from home has been relatively smooth with anecdotal feedback suggesting productivity has been equal or higher to traditional working formats in many areas.

While this is not the case for all, it certainly heralds a broad-scale acceptance by many that working from home is a viable alternative to a traditional office which will lead to a more rapid shift to digital models of work.

There has also been a rapid increase in the acceptance of online meeting and collaboration tools that make working from home possible.

This trend is likely to lead towards a "sea change" and "tree change" by those who have realised they can work from home and/or may have had an epiphany during the crisis about the type of lifestyle they wish to live.

The downside to working from home is that workers can be isolated from each other and from the support they need to overcome challenges and solve problems.

If unions are to solve these challenges for workers, they must investigate new structures for engaging with home-based workers, including the integration of digital engagement.

3.8.3. The long-term impact on the mental health and healthy habits of workers needs to be accommodated

Many people are now undergoing social stress as they are separated from friends and colleagues, trying to work with kids at home and coping with the risks to health of loved ones. Others are essential workers continuing to work while carrying the fear they may contract the virus and pass it along to loved ones, while also being unable to connect with those in isolation.

Many people are experiencing a vastly increased level of mental stress that makes it difficult to manage these challenges.

The impact of this will be felt beyond this crisis and all institutions must factor the management of this into any future planning.

It is important to also consider that many of the habits that people have developed in isolation, such as social avoidance behaviours, may continue post crisis. This could be seen in a reluctance to attend gatherings, to go outside, or to personally connect with others. For some, these will be hard to break and may cause issues as people try to get back to normal post-crisis; support may be required.

3.8.4. The coming recession will create massive uncertainty and hardship for many workers, providing unions with an opportunity to prove their value

The crisis means a recession and job losses are on the way. It is hoped the turnaround will be quick if global supply chains and people-based industries can regain momentum effectively, but this is not guaranteed.

"Unions need to reach out to workers in an unprecedented way; to connect with workers using new tools and a lower-cost model"

There has already been massive dislocation for workers with many job losses and changes to working conditions. The uncertainty extends beyond the current crisis and well into the recovery period for many. Workers are looking to ensure they have job and income security.

Given the likelihood that ongoing change is required over a significant duration of time, each industry will need a plan that enables it to get back to work while operating safely.

This provides huge opportunities for unions not only to represent individual members and members at the workplace level, but also to partner and ensure a worker's voice at an industry and national level.

Already, the leadership shown by the ACTU during this crisis has made a huge difference and repositioned the brand of unions as a social partner.

The economic impact of COVID and the need to rebuild our economy and reframe our society are big challenges and opportunities.

This crisis has provided an opportunity for unions to prove compellingly the value they provide to workers. They have a chance to respond to the significant needs of workers; lead at a workplace and industry level; and be the constructive voice of the workforce at a national level.

But to take this opportunity requires change. Unions need to reach out to workers in an unprecedented way; to connect with workers using new tools and a lower-cost model; to meet the contemporary needs of workers.

Door-to-door, workplace-to-workplace recruitment and organising will not achieve the scale required nor face up to the reality that consumers' behaviour and habits have changed permanently.

3.8.5. Potential for international tension and conflict that would have far-reaching repercussions for workers

For a democracy to operate effectively it needs to sit within a framework that ensures effective oversight, checks and balances. These include:

- The oversight of a free, unbiased, and independent media (including a clear delineation between fact and commentary).
- Honest, competent, and capable leadership.
- Genuine transparency from all levels of government.
- The unfettered ability of workers to "whistle blow" on unethical behaviour.
- The ability for individuals to organise.
- A clear separation of church and state.
- A social safety net including access to free medical support and education.

Sadly, many of the frameworks that underpin democracy have been weakened in recent times. At the same time, we have seen the rise of right-wing nationalism in many countries across the world.

The advent of the COVID-19 crisis may worsen this situation rapidly.

When you factor the closing of international borders, and the lack of a united international response to the COVID-19 crisis, there is the potential for tensions to rapidly rise – within and between countries.

Left to find their own pathway forward, the ability of different countries to respond appropriately to the crisis will vary depending on their leadership, access to resources or other factors. Some will succeed and others will face an increasingly dire situation.

This raises the very real risk of a dramatic rise in nationalism that could lead to significant tension between and within countries.

It is unlikely unions can influence international policy and the governments of other nations. However, as the custodians of a safe and just society, unions can play a critical role in shaping the attitudes of workers in our country to contribute to avoiding the potential for the escalation of these tensions into an avoidable conflict.

Unions can help the community to realise what are the key elements and values which create a strong and resilient society.

Interestingly, after each world war and health crisis there has been a realisation within the general public of the vital role unions play in society. It would be great if the silver lining of this crisis were a realisation of the importance of unions and the value of a strong and equitable community.

4. Focus on delivering powerful outcomes for workers

People do not care how many members you have. They care about the positive outcomes you create. For this reason, people want to engage with organisations who can deliver results not rhetoric. They want organisations which can clearly communicate the tangible difference they make to the lives and communities of the members they serve.

It can be easy to become preoccupied with the number of members you have. But it is important to remember that recruiting and retaining members is not a union's core purpose. Instead, membership is one of many tools that can assist a union to achieve its core purpose.

Unions exist to achieve a specific outcome. Workers join and organise so that they have a voice in their workplaces, industry and society. They join to create a better life.

So, it is odd that many unions measure their success on the number of members they recruit or retain. This is akin to judging the success of a builder by the number of bricks they lay rather than the quality of the houses they build.

Focusing solely on membership numbers distracts from the core purpose of the union. This misguided prioritisation can cause issues when union leaders set overly ambitious membership targets driven by the need for revenue or numbers.

Without an equal emphasis on creating strong value, integrating new members, and engaging all members, these campaigns invariably fail - and the newly gained members leave as quickly as they came. In the process, no meaningful gains are made against the union's core purpose or long-term sustainability.

A more meaningful way to measure the success of a union is through its ability to achieve tangible outcomes for its members, for example a change to industry funding; higher pay, or new skills so that a member can undertake their role more successfully.

By shifting the focus from membership numbers to tangible outcomes, unions can mobilise the hearts and minds of member groups to powerful effect.

A strong purpose moves the relationship with members from transactional to emotional. And that emotional attachment is the glue that binds a member community.

To find your purpose, ask yourself questions such as *"How would the world/profession/industry be worse off if your union didn't exist? What would our members miss?"* and work from there to find out the tangible difference you can make. In many cases, asking these questions reinforces the understanding that recruitment and retention is most effective when unions are organising and delivering value to workers successfully.

4.1. Mobilise effectively to exert influence

The purpose of unions is to advance the interests of our members in their career and life, providing them with the tools and support they need to go further.

It is critical unions are clear on why they exist and on their values. In turn this creates a clear purpose.

For example, the purpose of the Queensland Nurses Midwives Union is to grow power, confidence and capacity to improve the industrial and professional interests and wellbeing of nurses and midwives and the health of our community.

Everything they do is tested against that. Authenticity is central to building a trusted brand and loyal members.

To achieve outcomes for members, unions work at multiple levels to:

- Support individuals with workplace advice and support, representation and other individual services.
- Empower members at a workplace level by organising and bargaining for better wages and conditions and a safe workplace.
- Enable a voice for the workforce at an industry and professional level through campaigning, evidence-led argument and lobbying.
- Advocating for a fair and just society and an economy that delivers for the many through political and community campaigning, research and lobbying.

Unions are purpose-driven organisations. They must:

- Have a vision for the members and the industry or occupation they serve.
- Identify action-worthy issues and challenges.
- Have a plan to achieve solutions which progress the interests of members and the community.
- Build a cadre of motivated and trained union representatives or delegates.
- Organise and campaign to exert influence to create positive change.

The leadership provided by the ACTU during the pandemic crisis to achieve JobKeeper is an excellent example of the union movement at its best.

4.1.1. Organising and campaigning are critical

Organising and campaigning are key elements of effecting change. Unions need to look at ways to bring innovation to organising and campaigning, to enhance outcomes.

Digital campaigning techniques will improve the effectiveness and reduce the cost of organising and campaigning. Digital techniques can fast-track:

- The building of a potential members' list.
- Identification of warm potential members with information on their interests.
- Identification of warm potential leaders based on tracking those who have been most engaged and encourage others to engage.
- The engagement of members in activities and campaigns.
- Reaching out to the community.
- Pressuring decision makers.

The engagement can help move people to offline activity.

4.1.2. Organising and servicing are not exclusive

The risk for some unions is that their commitment to organising has been a barrier to implementing the necessary changes to improve recruitment and retention.

It is important to do more than recruit and retain members. As purpose-based organisations unions must organise. But for many the journey to collective consciousness will start with an assessment of services and value.

While maintaining commitment to organising members, unions must broaden the package of member benefits and the value of membership. A focus on retention and digital recruitment, supported by modern tools and techniques, will provide the best opportunity to have more members to organise.

Innovation must not be regarded as a challenge to organising. While the fundamentals of unions do not change, unions need to disrupt how they organise if they are going to achieve scaled growth.

"Innovation must not be regarded as a challenge to organising. While the fundamentals of unions do not change, unions need to disrupt how they organise"

No matter why members join, unions need to always ensure they work to develop the collective consciousness required to achieve real change: From 'what's in it for me' to 'who is in it with me'; From value to values; From utility to emotional connection.

Choosing to ignore the opportunities presented by embracing both organising and servicing will inhibit innovation and guarantee the demise of unions.

4.2. Deliver powerful, personalised, and timely value to each member

The highly personalised nature of the services we experience every day has created the expectation of customisation among our members. Unions cannot afford not to meet these baseline expectations. Unions need to excel at segmenting and personalising their offer and communications to different groups.

When asked why a member should join, many unions trot out the list of benefits: *"We bargain, provide workplace advice and support, industry information, a voice for members, e-news, …"*.

This list of features applies to most unions and many benefits are available whether the worker is a member or not. The list does not represent a compelling value proposition.

The real "value" in membership is intangible. The main motivator to join unions is rarely *"to get a magazine"*. It is more likely that members join for:

• A fantastic career
• A secure and happy life
• The ability to proactively influence environment for their industry or job
• A positive outcome for a cause they support.

Unions must be able to identify the value members are seeking and be able to translate these intangible value aspirations into strong tangible outcomes for individual members and others in their community.

By starting with the outcome (for example, a more successful career) unions can develop a membership offering that contains powerful and tangible pathways through which members can create value. By creating value at a level that far exceeds their membership fee you create a reason for people to join and an ongoing emotional attachment.

What makes this challenging is that not all members want to realise value in the same way. Plus, the way they seek value will change during their career.

4.2.1. Value is not a one-size-fits-all proposition

Unions are a bit like a shoe shop. The shop offers any colour shoe you want, as long as it is brown and any size you need, as long as it is an eight.

Unions often send young members information about retirement seminars and workers in a specific job or industry information about an unrelated job or industry.

Different segments want to realise value in different ways so effective segmentation is critical. Unions need to understand the kind of value people want now, and what value they will need in future, so they can legitimately claim to be a partner for the lifetime of that person's career.

Technology enables this. Deep analysis of your membership and potential market is an important step towards understanding the benefits each of your market segments requires to extract value from their membership.

This is much more than just sending out a survey. Most surveys are superficial and the only people who respond are people who either love you or hate you. This is about doing the work to have a deep understanding of each segment and the pathway members journey along.

By understanding how different segments want to realise value from the union, you can focus your offer to each segment. The success of all future membership marketing activities will be profoundly affected by your segment choices and how they are implemented.

4.2.2. Segmentation models are evolving

There are numerous ways you can segment your membership. Some of the top-level segments used by unions include:

- Stage of the career lifecycle or career stage (which is not the same as age-based segmentation).
- Job or profession.
- Industry.
- Specialisation or interest area.
- Benefits sought or product usage.

The most relevant options will vary between different unions. What is important is to ensure those put into a segment:

- Have similar needs, wants, and motivations.
- Have similar responses to the same marketing.
- Are accessible through the same marketing channels.
- Are an appropriate size to target.
- Are accessible.

Each segment selected should be demonstrably different from the next.

4.2.3. A deep understanding of each market segment enables a powerful personalised offering

The easiest way to understand the value proposition for each segment is by asking specific questions. For example, if undertaking an analysis of the "student" segment you could ask the following questions:

- *What do we know about this segment?* This includes data about the segment (e.g. member retention rate, first year retention rate, growth rate, penetration into the available market) and insights from research.

- *What is the overarching value they are seeking?* For a student it may be that they want a fantastic career and a great lifestyle to go with it. If they can kick a few social goals along the way that is even better.

- *What is their problem? What do they worry about at night?* For a student that may be a lack of understanding about career pathways, a fear of taking the wrong first step, lack of money, lack of connection to the profession.

- *What value promise would answer those concerns?* For a student this could be: "We will help you take the best first step possible into your career".

- *What product, services, publications, events would enable us to fulfil that value promise?* For a student that may be that you will help them:

  › Understand their career pathways options (e.g. career fairs, handbooks, recent graduates)

  › Find a job (e.g. student placement services)

  › Build personal networks (e.g. mentoring)

  › Access professional specific education (student pathways to events)

  › Save them money (e.g. discounts on items they will need at the start of their career)

Information about your segments should be disseminated among staff and volunteer leaders in a way that enables them to have more engaging conversations about value with members and prospects.

4.2.4. Each key market segment needs a powerful offer that delivers tangible value

Many unions struggle to articulate the true value of membership because the value of membership is generally intangible and challenging to explain. So, people default to speaking about the tangible aspects of the membership. Unfortunately, these are generally "features" of membership (for example, information, workplace advice, bargaining) rather than actual benefits.

When looking at the value of membership, it is important to recognise that the prospective member is not donating to the organisation. They are making an investment and expect to see benefit.

Articulating value is a matter of explaining how the member will realise a successful return on their investment. You need to be able to state the outcome the member is expecting to realise and how you can help them achieve it.

As different people desire different outcomes, it is important to understand into which segment the person you are speaking to falls, so you can be confident of the message they need to hear.

Generally speaking, many people join unions and professional associations because they expect the organisation to provide them with tools to help them have a more successful career and/or to support a cause they are interested in (workers' rights, health and safety, respect for their profession). Different people require a different mix of services and one size does not fit all.

People need to understand the outcome of their membership investment to make an informed purchase decision, so it is important to talk in "outcomes". For example, as a member you will:

- Reduce your costs.
- Have more time.
- Advance a cause you believe in.
- Proactively influence government.
- Engage with the most successful people in your industry or profession.
- Increase your profile within your industry.
- Gain new skills that will lead to career success.
- Gain critical information before others.
- Get the best possible start to your career.
- Have higher take-home pay and better conditions.
- Feel more confident at work.
- Provide more for your family.
- Have greater say in your roster.
- Be safe at work.
- Achieve savings so your take-home pay goes further.

The role of the union is to create opportunities for members to achieve the outcomes they are seeking. This may be through a mix of direct benefits (such as discounts, advice, and training) and indirect benefits (such as government lobbying; campaigning and bargaining).

Many outcomes will not be achieved without the union having adequate members who are organised. But the benefit must be articulated to the individual.

4.2.5. Developing services

Unions must ensure they are providing the services that members desire, have communicated the service to members effectively, and have an ongoing process to ensure those services are delivering the result members are seeking.

Services must be developed to ensure the needs of the various segments are being met. This may require the union to build or secure new services to strengthen the core membership offering.

Building a range of high-quality services with which members can engage is an ongoing process. The offer must evolve to meet the needs of members as their careers, industries and needs change.

Contemporary services may include professional development; member savings programs; online communities; salary information and calculators; online financial plans; career services.

The Union Innovation Hub will actively support the creation and exchange of new services to assist members to benefit from additional value and unions to reduce the costs of creating the new services.

4.2.6. Improving awareness of and utilisation of services is critical

It is the role of the union to motivate its members to act to convert these opportunities into concrete benefits that will have a long-lasting, positive impact on their career and life.

To articulate the value of the union, consider the "success" your members are looking for and explain to them how you can assist them to achieve this.

While there will always need to be a collective message - together you will achieve more - unions must also have a message about how individuals benefit because they are part of a collective organisation.

"Services must be developed to ensure the needs of the various segments are being met."

You join the netball club to play netball. You could not play netball unless there was a collective enabling the club and facilities to exist. You learn to gain other benefits through the club including friendships. But if you could not play netball, you would not join.

To extrapolate on just a couple of the examples provided in the previous section:

- **Engage with the most successful people in the industry** – The William E Smith Institute of Association Research undertook a study into the relationship between membership, member income, and member job satisfaction. They found that, on average, people who are members of their association earn higher salaries, like their jobs more, and are happier people than those who do not join. They found that membership does not necessarily cause these benefits. Instead the relationship is the reverse - successful people are more likely to join. So, if you want to network with the most successful people, then you need to be a member.

- **To influence government policy / To have a strong voice at all levels of government** – One of the greatest benefits of membership is often not appreciated. When you get a large group of people together, they have a strong voice at all levels of government. Those members who are actively involved in the union can influence the content of that voice.

- **To gain critical information about the industry/ issue/ occupation before others** – Associations and unions serve an important role in the collection, filtering, and dissemination of relevant information. The more closely a member works with the organisation, particularly on committees or as a delegate, the more likely they are to gain important industry intelligence before most others.

- **To learn new skills**. Through getting involved with their union, members can learn about leadership, negotiation, law and so on - skills that will assist them in other areas of their life.

- **To get the best possible first step into your career.** Being able to provide students and graduates with the guidance, tools, and connections to ensure they can move forward powerfully into their careers more easily makes your union more tangibly valuable to this hard-to-reach segment.

- **Feel more confident at work.** As a member the worker can often feel more confident at work as they have access to the union's expertise and advice if there is a work problem. Some unions also provide insurance such as professional indemnity and journey insurance.

- **Take-home pay goes further.** Accessing the union's member savings, including discounts on groceries and petrol, enables members' -home pay to go further because of the buying power of the collective.

4.2.7. New services

For many unions, the current offer is too narrow. When unions find out what each group of potential members or segments needs and wants, it is important to really listen to their needs.

The research may find that young workers want career services and vocational education. It might find other groups need professional indemnity insurance and others need help getting their parents through the maze of the aged care system. When we find these needs and wants the union may need to generate new services.

For example, almost 50% of Professionals Australia members do not work under collective agreements. A broader package of services has been developed including market pay information; insurance; career advice; vocational/ professional development; member savings and accreditation.

4.2.8. Sunsetting services

Part of reviewing an offer means also looking at opportunities to close or sunset existing services that are no longer relevant or have little impact. Every irrelevant service takes away valuable resources from activities that could be allocated to delivering better outcomes for workers.

4.2.9. Effective third-party programs

Many unions had some form of member savings program. With the internet increasing competition for these kinds of services, many of the programs have quickly lost their effectiveness and do not meet the needs of a modern consumer.

The exception is where programs provide an exceptional deal on an item that is high-cost or regularly expense for most members (for example, insurance, fuel, energy, telecommunications). These programs thrive where:

- The deal is unavailable anywhere else.
- It is only available for members while they are a member.
- The partner is diligent about removing the benefit from the member should their membership lapse.
- The user experience is exceptional with the member being able to access the discount on their phone in the store.

In this instance, third-party programs can be a significant benefit for member recruitment and retention.

4.2.10. Content curation is an often unappreciated yet essential part of the value proposition

Powerful value can be created by proactively collecting information relevant to members and filtering that information into smaller streams of timely, critical, and considered insights that flow to the different individuals that require it (at theright time).

Many unions promote the fact that they provide members with information. However, members can take their question to Google and find many search results.

This makes Google one of the biggest competitors to most unions. However, Google's strength is also its biggest weakness as users get many results with no guarantee of accuracy.

Many people are overwhelmed by the massive volume of information inundating them each day and few people have the time to keep on top of everything.

Time is more valuable than money. And many people would rather spend money than invest scarce time resources. This provides an opportunity for unions to generate significant value for their members by becoming content curators.

With TripAdvisor-style processes it is also possible for members to receive reliable reviews. With community-style technology, members can also benefit from the wisdom of other members.

4.2.11. Constant innovation is necessary to maintain a competitive offering

In a highly competitive environment, unions will not be able to set and forget their membership offering. There will always be competitive organisations making offers that will erode your union's value proposition. Constant vigilance and innovation will ensure your value is the best available.

Ongoing feedback and analysis of data from each segment you target will also help you to continually improve your offering, and therefore increase the chance of survival and success.

4.3. Cultivate an engaged and active member community via formal and informal networks and connections

One of the most powerful competitive advantages available to unions is a strong and engaged community. The most successful unions will be those who are able to become the facilitators of positive connections among their membership. Those who can also activate the tribes within their community will have created a powerful competitive advantage for themselves.

While there will always be competitors for some or all unions services, a highly engaged union membership community is difficult to compete against and represents a strong competitive advantage.

Unions can build a strong community by becoming the facilitators of meaningful engagement between members in a manner that increases the ability of members to create value for themselves and others. New technologies facilitate this connection online.

As members become more engaged, the likelihood of them renewing their membership vastly increases. But engagement does not happen by accident. Each step of the member journey must be carefully planned and executed to create consistently strong engagement among members.

4.3.1. Activating your segments and tribes is a great way to build a strong community quickly

A helpful tool when building a union's community is to understand the segments as

well as the various tribes within your community. Understanding the key segments and tribes within your community – and activating each of these effectively – is a powerful way to build a strong community quickly.

Tribes and market segments are different.

Market segments are defined by the union (student members; workers in an industry; an occupation). Tribes are groups that already exist that the union then identifies.

Tribes are groups of people driven by a shared interest, passion, need or habit (for example, members who support a specific issue and want to connect with others of the same values or interest). They have a feeling of identity separate to other groups and their members may include people with a range of expertise, experience, and qualifications. A tribe is characterised as a network (whether of social or common interest or cause-based) that is regularly connected (either online or offline). Altruism or concern for others within the group is common.

When considering your strategy, an understanding of the broader segments will set you in the right direction. Then a knowledge of the tribes within those segments will enable you to refine and focus your strategy further.

For example, a union may have a market segment for an occupation, students, and young professionals. These are groupings that the union has determined and to which it has allocated members. That same union may also have informal networks that the members have created. For example, a group of members located geographically close to each other who play in a sporting group, or a group of members passionate about action on climate change. These latter groups are a tribe and the social cohesion these more natural groupings of members reinforce is a key competitive advantage for unions – particularly if the union is seen as the enabler of these.

4.3.2. Creating strong tribes and communities needs careful planning and a dedicated resource

Building strong communities can be achieved most quickly by identifying and reinforcing these groups. Ways to assist these groups to be successful include:

- Identifying those individuals who act as "connectors" and "influencers" within target groups and provide motivation and support to enable them to drive those groups more easily.
- Ensuring the group has a specific purpose (or many smaller purposes) that are motivating to the members.
- Ensuring robust pathways into the tribe to avoid the tribe becoming a clique.
- Creating an effective way for members of the group to communicate easily.
- If one exists, ensuring the focus is on a shared challenge or set of adverse circumstances that will focus attention outwards.
- Ensuring you identify and use the shared language (this is often particular words or acronyms that are specific to the group).
- Providing clear calls to action to motivate people to act.
- Understanding the rules that govern how the group operates and, if appropriate, assisting them to enforce these.
- Creating connections between tribes wherever it will meaningfully contribute to outcomes.
- Appointing at least one staff member responsible for ensuring the above happens.

Avoid the temptation to create large tribes. After the optimal number of participants is reached, people often use hierarchy, stereotypes and other simplified models to navigate groups which can make them less effective. The optimal number for tribes is often debated. Dunbar's number puts the optimal size of a manageable tribe at 150 persons however Bernard-Killworth's median is 231.

4.3.3. Tribes and communities can be leveraged when trying to implement change

Tribes can be leveraged to undertake effective change management. By engaging the leaders, influencers and connectors within each tribe you can more rapidly shift or create support for initiatives throughout the community. When key people signal an acceptance of a change or idea then others will follow. These subtle signals can be more powerful than top-down or authoritarian change.

By understanding the motivations of influencers, you can structure your communications with them around those motivators to generate a favourable response (for example, altruism, hope for change and progress; a better outcome for the community).

For this to be sustainable, unions must invest in the identification and nurturing of emerging leaders, connectors and influencers.

Strong communities avoid becoming cliques by developing strong pathways into the community that engage newcomers quickly.

As powerful as a community is for engaging and retaining members, a clique can just as powerfully alienate your members. The difference between a clique and a community is simply the presence (or absence) of clear and welcoming pathways for a newcomer to become an active participant in the group.

Many unions do not realise they are unintentionally alienating new members. It is easy to find out how your union is doing. Just track your first-year retention rate and put it alongside your overall retention rate. The further apart those figures are, the more work you must do.

You will not be alone though. Many studies have shown the retention rate of first-year members (or the first two to three) is lower than longer-term members across most unions.

For this reason, it is particularly important to have a specific new-member integration process that actively welcomes and engages new members.

This can be as simple as a welcome email, a welcome call designed to get the member engaged in the top three services for that segment, a new member kit also aimed at engaging them in those services, appointing a volunteer member to welcome new members, and tracking of new member engagement to identify those who need extra encouragement.

That process should ideally be automated into a new-member journey, with the assistance of a modern CRM system and marketing automation.

There are also challenges to makes these online communities remain welcoming and positive. It is important those participating follow respectful community rules and ensure a safe space for all those participating.

It is important to establish within these structures mechanisms to ensure all members of the community feel safe against bullying and other forms of harassment or inappropriate behaviour (both online and offline).

4.3.4. Compelling ad-hoc volunteering opportunities are a great way to transition an uninvolved member to an involved member

One of the most important strategies you can implement to move a member from being uninvolved to being actively involved is creating and promoting ad-hoc volunteering opportunities.

These short-term or one-off opportunities for members to contribute to the union are a great way to enable new or unengaged members to "test out" participation.

- Some ideas include asking members to:
- Comment or post discussions on your online forums.
- Engage with new members to ensure they fit in.
- Participate in online campaign activities.
- Take a photo for your publication.

Unions can dramatically increase the strength of their volunteering programs by:

- Creating engaging ad-hoc volunteering opportunities.
- Actively promoting that they exist.
- Providing adequate staff and financial support to. activities for ad-hoc volunteers.
- Recognising volunteers for their work.

When promoting volunteering opportunities to members you can enhance the take-up rates by communicating:

- The value of the opportunity for the member (for example, learning a new skill and targeting specific opportunities at market segments you know will find them attractive).
- How the member will contribute to a cause in which they believe (for example by attending this forum you can address a significant issue that is about to affect you and your industry).
- The right opportunity to the right people.

4.3.5. The symbiotic nature of membership and events makes a compelling, interesting, and fun events program an essential element of your community building strategy

If people just wanted information, they would read a book (or Google it). When people attend a meeting or event, they are looking for more than just information. They are looking for an experience and an opportunity to connect meaningfully with others.

Associations do many more events and conferences than unions, although unions have many workplace and industry-based meetings and occasional collective activities.

Events are a fantastic way to keep your members engaged and to create enthusiasm about your union. The event does not have to be face-to-face, with some unions increasingly using webinars.

Some union meetings, such as committee meetings, are more likely to have the younger

generation run for the hills than excite and attract them to the union!

It is important that meeting or event formats are tailored to the learning preferences of the participants. Currently, there is a strong trend towards smaller group formats that enable discussion and sharing of insights. Venues need to be interesting, convenient, and practical.

Younger people are also trying to balance work and lifestyle so you may find they are multi-tasking – your event may also be where your member will meet their life partner, next employer, and so on.

4.3.6 Successful private social networks are an enormously powerful engagement tool

A successful online member community is a powerful tool for member recruitment and retention. It enables members to benefit from others in the collective. However, most private social networks fail because they invest all their resources into the development of the system without realising that is the easy part.

The most difficult part is getting members into the habit of using this system. That takes careful planning and a lot of member volunteers.

At the early stages of a private social network it is critical to artificially create momentum until the network can self-generate the momentum required to be successful.

To artificially create momentum requires 40 to 60 ad-hoc volunteers whose role is to post content, or comment, in the private social network at least three times a week for three months.

Picking members with diverse views can help create robust conversations that then create good content for your e-newsletter that drive people back into the network.

If you are considering a private social network for your organisation, do your research, pick the right vendor, and invest heavily into the launch and marketing to ensure it is successful.

5. Transform to remain relevant

Unions cannot rely on business or membership models suited for an era that has now passed. Innovation must be embedded operationally as unions transform their range of services fundamentally. This means:

- Modernise union business or membership models to enable them to deliver powerful outcomes more effectively for workers and strong growth into the future.
- Make it easy for members to decide to join by aligning membership frameworks with worker needs and preferences.
- Ensure deep relevance to the broad range of members by developing highly personalised offerings that deliver powerful value by market segment.
- Strengthen member communities by adopting distributed member engagement frameworks that allow the members to engage freely with each other.
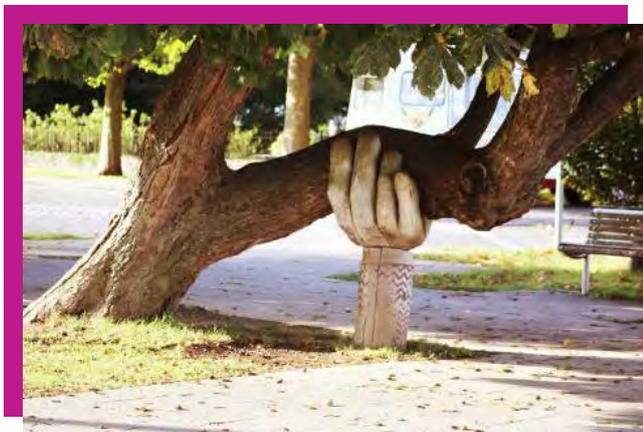
5.1. Modernise union business and membership models to enable more effective delivery of powerful outcomes for workers and strong growth into the future

There is already precedent that demonstrates the unions willing to modernise will experience very positive results.

At some point, unions largely homogenised into one model: expensive field staff visiting members in predominately large workplaces to recruit, organise and service members, offering one form of membership at approximately $650 (with some part-time rates), and bargaining once every two to three years.

Except for workplace delegates, the model is predominantly door-to-door and involves direct representation and engagement.

This model has many benefits but was largely discarded by the commercial world decades ago as too expensive and was yielding declining returns as other channels became more effective. The commercial world rapidly moved to shopfronts, then online, supported by traditional marketing and now digital marketing. The supply of services varies but is increasingly being centralised and automated where possible.

Although the face-to-face model is effective, it could be far more effective if integrated with modern tools. Without this, it is necessarily restrictive and a major barrier to achieving scaled growth.

It is a model that is extremely difficult to apply to smaller workplaces. And the core function of enterprise bargaining is ineffective and irrelevant for large proportions of the workforce.

Given unions and collective bargaining make such a positive difference to workers it is essential unions reach out to workers beyond the traditional base by reducing barriers such as cost and by utilising lower cost digital techniques.

Where unions have few members, any dollar earned is a dollar not previously banked which means it makes sense to invest in a new fee structure, membership model and digital engagement in new areas. In new areas, unions can afford to build the union from the ground up and there is little risk.

It is similar to how many unions were founded. They often started with low fees and no or few paid staff. As they achieved critical mass, they achieved results. Then they could start charging higher fees as they built their value proposition over time.

To do this effectively requires new, lower cost digital organising techniques.

Although the rules in which unions operate must change to be truly effective, there is much unions can do through innovation.

5.1.1. Listening and responding to the voice of workers is already creating change

Some unions have found when they really listened to the needs and wants of workers, the workers themselves wanted a different model. In one area, the union found the workers, who were largely in small business, did not want an organiser visiting the workplace and did not want direct representation around work issues. This provided the opportunity for a lower-cost membership.

This is not to suggest that unions should abandon the traditional model, but rather they need to supplement it with alternative membership models and modern forms of marketing.

Some unions have already augmented their model. They have centralised member servicing, freeing up field staff to organise. Many have outbound call centres and use social media. Some unions have introduced alternative membership models with services varying with different price levels.

Many associations offer a base membership model at lower cost and then charge for additional services, such as events and professional development.

One union has predominantly organised a sector through building an online community, introducing membership levels and engaging in active digital marketing. This increased membership from about 300 to more than 2000, with few ground resources.

One union combined the traditional ground organising with digital marketing and achieved dramatically improved results, doubling membership in the workplace. The digital marketing would not have been effective on its own.

Unions are smart to not go into new areas with their current model.

To be relevant, help millions of new workers and achieve scaled growth, unions must disrupt their model of recruitment, servicing and organising. For those in unions who are -averse or those who want a "proof of concept", this can be trialled in new areas.

5.1.2. Shift towards becoming a platform that unites an occupation or industry, rather than being a provider of services

By becoming a platform through which, the workforce can connect to the full range of products, services, support, and representation it needs, a union can carve a unique position – one that makes future partners and supporters of its current competitors.

The union does not need to provide all services itself. It can, for example, be a portal through

which members access services, exchange or promote ideas, products, events, information, or services. By doing so, unions can make themselves the platform upon which the workforce connects.

For example, if there is a desire from members for vocational or professional education, unions do not need to provide all the training.

Instead, a proactive union may become the aggregator for all high-quality training and events relevant to members (even those by organisations previously considered competitors). Those running courses could be vetted to ensure they are suitable (even via a TripAdvisor-like mechanism for delegates to review the content or events).

The union could build an online log so the members could keep a record of all training undertaken, useful for career progression or confirming they have kept up with required continuing professional/vocational development.

The union may choose to generate revenue or have it as a member benefit, possibly at a higher level of membership.

Naturally, the promotion of training or events should be highly targeted to ensure the union's communications are welcome and relevant.

A shift to this kind of platform model enables a union to broaden its offer at low cost to provide an enhanced level of service to members.

5.1.3. Unions can learn from the success of LinkedIn when updating business models

LinkedIn is a powerful platform. It is a community where most of the memberships are free, yet the company is still highly profitable. Although radical, the union movement can consider several learnings from LinkedIn, including:

- **To get involved is easy and free.** It costs nothing to set up and populate your LinkedIn profile. This provides LinkedIn with a huge benefit because it has prospects actively engaging with the system.

- **You generate benefits immediately.** As soon as your profile is set up, you can start to connect to others, find or create content, apply for jobs, and otherwise start realising the benefits of the community. Free members are active users and help create the high level of content and group interactions that keep the premium members retained.

- **You pay only for what you need.** Your LinkedIn profile may be free, but if you want to generate intensive value from the community you need to pay. You can choose to pay only for what you use (to list a job, advertise your services, access new connections). Getting people to use the service on an ad-hoc basis is a great way to move people along the pipeline to a premium membership.

- **LinkedIn has a premium membership for power users.** LinkedIn has a profitable premium membership for intensive users of the service. Its premium membership exploits FOMO (fear of missing out), by enabling premium members to see a full list of who has viewed their profile, and has practical benefits, such as the ability to view and connect to an unlimited number of people.

- **Its automated marketing actively generates a baseline of new members.** Free LinkedIn members are regularly invited to try premium membership for free (a "taster"). Many do not try it. Some do. And some of those retain their premium membership beyond the trial. This process generates a steady stream of premium members, is automated, and costs little.

- **LinkedIn facilitates communities but does not run them.** LinkedIn is a great place to find and join professional communities. All content is entirely member-generated because LinkedIn is just the provider of the platform that connects people.

- **LinkedIn is monetising its community by providing new products.** LinkedIn Learning is just one of many products that will enable LinkedIn to generate income streams from its strong and engaged community.
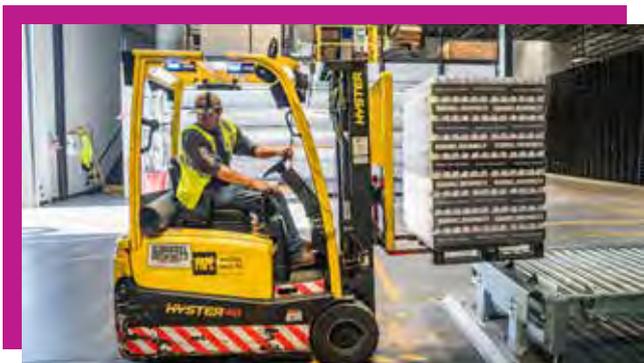
5.2. Align membership frameworks with workers' needs, wants and preferences to make it easy for workers to join

Unions are no longer the providers of information. Instead they are the facilitators of meaningful interactions between members and their greater industry or professional community.

There is no one-size-fits-all when it comes to creating an effective membership structure. Membership structures and fees vary between unions, but most unions have one fee structure with some discounts for part-time and casual members.

A great membership structure will enhance outcomes when other factors are aligned. However, without substance, even a great membership structure will fail.

A good membership structure can make it easier for members to join and renew, but it will not be the defining reason someone will engage (or not engage) with your organisation.

The best structure to facilitate these is one where the union does not act as a roadblock to members engaging with each other. Therefore, frameworks need to be put in place that make engagement easy and natural.

Some unions are introducing innovative membership categories that reflect the level of involvement the members want, or the range of services they want to access such as:

- **Membership packages** – two or three membership levels with different fees and differentiated services.
- **Choose your own adventure** – a base fee with the ability for members to choose the services they want.
- **Contribution impact level** – where people can join as a supporter, member or leader.

Professionals Australia introduced three levels of membership for its pharmacy membership. All levels included campaigning to improve wages and conditions.

The lowest level included professional indemnity insurance, the middle level professional development and basic workplace advice and the top-level included industrial representation and bargaining. After the introduction of the models, membership increased by more than 25% a year.

While some of these new concepts have merit, it can be difficult for unions who have never undertaken this kind of work previously to develop and implement it. It is often best to trial these initiatives in new areas where there are few members.

Most unions are concerned about these models because of the fear of cannibalisation - where existing members will choose a lower membership level. In practice there is little evidence of this occurring and most people are used to offers being open to "new customers only".

5.2.1. Membership models must adapt to changes in the way people work and live

Many people regularly change their career, and sometimes have multiple careers at the same time. To capture this rapidly growing market, membership models will need to evolve to reflect the flexibility of modern life.

Structures need to be created that enable different workers from all parts of the community to engage actively. These structures will differ depending on the union but could include consideration of segments such as contractors, workers in small businesses, students, young professionals, and gig economy workers.

Any area where there are large numbers of workers who are currently not in unions, needs to be considered.

By incorporating the full breadth of worker types into the scope of members, unions can extend influence and be genuine representatives of the workforce. In turn, unions are providing voice to the issues affecting workers not currently organised or strengthening the case for legislative change.

5.2.2. Society is being conditioned to "pay by the month" and "pay as you use" models

Some of the biggest companies in the world have been conditioning the global population to "pay by the month" and "pay as you use".

Streaming services are a good example; you pay by the month, subscribe to often more than one provider, upgrade or downsize your package inclusions, and switch and change provider as often as you want without long-term commitments. As long as a member is receiving value they will stay engaged with a service.

5.2.3. Using intuitive member categorisation makes marketing membership easier

Aligning membership categories with market segments enables easier marketing of specific product mixes, and communication content and formats for specific segments.

For example, you may have a market segment called "New or Graduate Nurse". If you have a deep understanding of that group, you will have developed an offer and a communication strategy specifically for that group. Consider making that market segment a membership category with a suite of benefits only available to that segment. This way, when someone joins

in that category, they are letting you know what market segment they belong to.

Intuitive member categories make marketing membership easier as prospective members can easily identify the category most appropriate to them.

Using your segments as membership categories can overcome the issues caused by using non-intuitive membership categories like "Affiliate", "Associate", "Full Member" and "Standard Member".

These terms only have meaning to those internally and should be avoided. In some cases, you may be making an inference that may be poorly received by the prospective member. For example, "Associate Member" implies that you are not as good as a "Full Member".

If your rules use the non-intuitive terms, this should not be an issue. The terminology you use to market membership does not necessarily need to be the same as the terminology used in the rules. You can make the link via the explanatory text for the membership category or in your terms and conditions.

5.2.4. Redefining "the collective"

Traditionally, unions have used membership as the yardstick of involvement. If someone joins, they are part of the union community. If they do not join or renew, then they are not part of the union community. By excluding or severely limiting the access of non-members into the community, unions are limiting their ability to fully mobilise an industry or occupation.

For these reasons and more, traditional models are increasingly ineffective. Several unions have opened avenues for non-members to engage and this is a positive first step.

Some have introduced lower-cost models of supporters or members to achieve scale, that would otherwise be limited with the one-size-fits-all model.

There is a reluctance by many to change because they have become reliant on the revenue

delivered within their current structure and cannot afford the risk of any potential loss of income.

Unions must develop pathways that will manage the revenue risk while enabling the shift to a model that will more effectively align with the core purpose of the union - to build a collective of workers. The union movement should have connection with many more workers even if all members are not paying $650 and voting in an election.

5.2.5. Online joining

With modern technology, including online joining, membership forms should be dynamic. The information requested and the fees published should adapt as the form is being completed.

This facility is not a "nice to have" for unions wishing to grow and remain relevant. Instead it is essential and unions without online joining must urgently build this capacity.

This should be linked to a modern customer relations system so that the resources required to process membership will decrease dramatically.

The cost should also decrease if unions collectively negotiate with a pay-way provider with integration created for common membership systems.

5.2.6. Avoid the discounting trap

Discounting a paid membership for current members is not generally advised as it moves the conversation from the value the union provides to price.

When seeking new members there is often value in providing a special offer or discount to encourage membership. In that case, after a period member goes onto the normal fee.

For new area or areas of low membership there is a strong case for an alternate membership package and rates. Where different levels of membership are available (including free) different value should be applied to each. For example there could be differentiated access the level of service, such as industrial advice and representation.
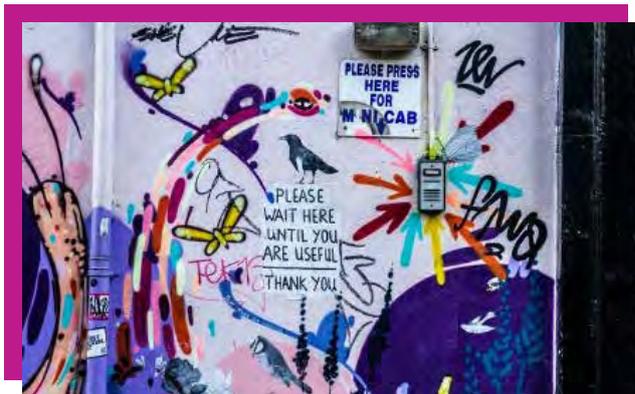
5.3. Develop highly personalised offerings that deliver powerful value to ensure ongoing relevance to workers over their career journey

Unions must build new services and ensure an outstanding user experience which meets contemporary needs of workers and offers membership at a price that is attractive.

Unions will ultimately succeed if they help workers to succeed. That means understanding the aspirations, needs, issues and concerns of the potential members and ensuring that through the union those members can satisfy those needs and get ahead. This will require unions to build a package of services and an approach which will meets those needs. Expecting workers to fit the existing model of unions will fail.

Ultimately, organising the workforce so that it has the teeth or power to win is always going to be a core function of unions. But that is impossible without members in adequate numbers who can provide the resources and the strength of numbers.

Because of this desire to organise and campaign to win for workers, many unions have ignored the need for reform and not addressed the necessary changes to face up to the seismic shifts in attitudes and expectations of workers.

Huge growth is only possible with major changes to the way unions go about their work. If unions expect workers to fit their current model, membership will continue to decline.

5.3.1. Current services

Although the union basics will always remain and unions should never give up on the core function of building influence, most unions currently offer a narrow and homogenised set of services.

Somewhere along the path, unions have been narrowed to being effectively just bargaining agents. This leads unions to be relevant in larger workplaces every two or three years when they bargain. In between bargaining agreements, the union often loses members. Most unions complain about the free-rider problem because the outcomes of the EBA apply to both members and non-members (potential members).

The service provided by unions is effectively open source. Given enterprise bargaining is unrealistic for much of the workforce, the narrow cast as a bargaining agent dramatically reduces potential membership.

Many unions also provide a voice for workers in specific occupations and industries. This can be effective in strengthening the union brand and helps with retention of members. In terms of recruitment, again it is open source, benefiting potential members as well as members. Some union researchers found that potential members might donate towards the campaign but are unlikely to join in large numbers for the benefit of 'voice'.

Unions also represent individuals with workplace issues and grievances. This service is not open source, and research shows many members join in case they have a work problem. Given the number of people with work problems who go to the Fair Work Ombudsman, unions face competitors for this service. It also relies on workers believing they might have a work problem. This is particularly difficult for young workers, for whom it may take some time before they realise workplaces are not all benign. The exception is the SDA, a union for retail, fast food and wholesale workers, which has remarkable success signing up nearly 60,000 predominantly young people each year.

5.3.2. Broader services

Some unions offer a broader range of services including market pay information, insurance, career advice, vocational/professional development and member savings.

These unions, such as the various nurses' unions, are growing. The ANMF is now the biggest union in Australia and has grown rapidly. It is a highly effective union in core areas, providing a strong voice in its sector, bargaining effectively and dealing with significant member grievances. But it also offers a broader range of services including insurance and professional development. In

"Given enterprise bargaining is unrealistic for much of the workforce, the narrow cast as a bargaining agent dramatically reduces potential membership."

some ways it more resembles a guild then simply a union as it meets both the industrial and professional/vocational needs of its members.

There is no cookie-cutter approach because workers have different needs, but there is no doubt a capacity to broaden the range of services offered to potential members will help unions grow. It is also clear the results are improved with employer neutrality.

Unions should not reinvent the wheel and can work together to create modules of services that can be exchanged.

5.3.3. Personalised services

The days of one-size-fits-all, any-colour-you-want-as-long-as-it's-grey model of unionism must change.

Unions need to be relevant across the career of workers - meeting their industrial and professional/vocational needs at different stages. The young worker should not receive material about retirement seminars and the older worker is unlikely to be as interested in professional development.

Some unions are also adding services which meet the needs of members at various stages in their life such as when they are getting their first job, buying their first car or house, or dealing with parents going into aged care. Ideally unions manage the services so that they are with members 'every step of the way' (ASU NSW slogan). Technology provides the tools to enable mass personalisation of the membership experience. That is, where the experience members have with the union is tailored to them and their needs.

"The young worker should not receive material about retirement seminars and the older worker is unlikely to be as interested in professional development."

At the most basic level, personalisation can happen through effectively collecting data on members and personalising the experience based on that data.

However, marketing automation and machine thinking enable the union to anticipate member needs based on the behaviour of that member (and like members) and present them with the right offering when they are likely to need it.

This is the "holy grail" of membership. If a union were to successfully implement this kind of model, it would be able to leverage huge growth very quickly.

5.3.4. Personalised cost

Most unions have one fee except for discounted fees for part-time or casual members. Some unions believe providing alternative membership models or fee structures is not possible because it will cannibalise the existing member base.

Unions will not grow meaningfully if they maintain this view. When organising in new areas, the packages of services and fee rates should be unique to that group of workers.

Unions must face the reality that the cost of membership does affect the decision to join. Clearly value is more important than cost, but the fee should be linked to the reality of the services provided and the capacity to pay of a specific group of workers.

This does not require unions to change fee rates for existing high union density areas. But even in these areas there is clear evidence that unions who use special offers, such as lower fees for the first six months for new members, have greater success.

Many associations have a lower fee and then members pay additional money for certain services. Some unions have introduced two or three-tier fee structures. Lower fees have been introduced by having alternative membership packages where there are lower fees commensurate with reduced services. For example, Professional Pharmacist Australia has three tiers of membership.

This proposition will inevitably create significant debate within unions. There are risks, but the movement need to try new things, particularly in areas of low membership.

The movement should have three to four million members even if some are paying lower fees.

The risk can be dramatically reduced with the use of modern technology. Online joining forms should automatically change the fee rates based on the initial information provided. That is, modern technology should do away with the need for a table of fees to be published for all categories.

"The movement should have three to four million members even if some are paying lower fees. "

The reality is that consumers are accustomed to special offers available to new customers only. Unions that have introduced the new rates have not encountered any significant problem.

This is not to suggest that price is the only contributor - with value being the most important component before ultimately the generation of a collective consciousness.

5.3.5. An online community can deliver strong value to the worker and allow unions to organise more effectively

If unions want to grow rapidly in new areas, they will need to focus on building a significant online community of workers and support a membership model that aligns to this outcome. This means focusing less on "selling memberships to make money" and more on "developing a community where people can access solutions that also generate income for the union".

A successful online community enables the union to have a large, responsive, and engaged group of workers to mobilise. It can also expand the scope of revenue opportunities while making union participation and membership more accessible for workers.

These kinds of communities are often free with an optional paid membership level (for example, LinkedIn is free but you can upgrade to a paid membership). By instilling powerful value into the upgraded paid membership, unions can maintain (and potentially exceed) current membership income while also expanding their influence.

By removing any fee barrier, it is possible to build huge communities of workers quickly. The community will grow most quickly if it is geared to solve the day-to-day worker challenges via an easy-to-use interface. These needs may include:

- Newsfeed – being able to keep up-to-date with areas of interest and be alert to others they are unlikely to know about.
- Connect – find other individuals and groups that share a mutual interest. These could be private or public groups, large or small, and/or for work or social purposes.
- Advice – workers can access advice and support for important issues such as working conditions, and tax.

- Organising – the union can organise and run campaigns but so can individual workers on the platform.
- Jobs – list jobs, find jobs, and assess applicants.
- Access professional or vocational development – the platform could be a one-stop-shop for the best professional and vocational opportunities.
- Online and offline events – workers can organise their own events, and find other events in which to participate.
- Resources – create, share, and find useful resources.
- Store – buy and sell useful products and services.
- Grants – post and find grants and/or other funding.
- Suppliers – access suppliers who are actively looking after the needs of workers.
- Savings – Through the site workers can access discounts and special offers (may be related to the upgraded membership level) such as insurance.
- More – limited only by your imagination.

In a successful platform, most transactions will be between members of the platform. It would be physically impossible for any union to provide all the services above due to the sheer volume and range.

The role of the union is to provide the platform upon which the workers – and those that serve them – can easily connect.

5.3.6. A future without traditional union fee membership structures?

For areas where there are few members, unions need to trial highly innovative options.

Charging a membership fee is often counter-productive to the purpose of a union. If the goal of the union is to build a large collective of workers and mobilise a workforce then, logically, you want to reduce the barriers to people in the workforce being able to engage. By requiring people to pay a fee to join, that provides a

barrier that may be insurmountable for many and will slow the building of the collective. On that basis, the charging of membership fees forces the union to act contrary to its primary mandate.

However, from a practical perspective, unions need money to operate.

To give a union the freedom to mobilise a workforce without the barrier of, or need for, a traditional membership fee it needs to identify another revenue stream that will add to and evolve current revenue streams. And that revenue generation activity must align to the objectives of the union.

And this is where a successful platform can have a transformative effect on the entire union movement, particularly in areas unions currently have few members.

Here is how it works:

The goal of a successful platform is to provide solutions for workers. The solutions also advance the activities of the union (for example, organising).

So, for the union to achieve its objectives, it should be focused on making the platform as successful as possible.

A successful platform means a vast number of financial transactions on the site (for example, registering for events, buying insurance, buying things from the store). Some of the transaction revenue would go to the union (whether it is providing the service) but the vast majority would be between site participants (for example, a supplier lists a product in the store and the worker buys it).

To enable transactions on the website, the union will need to charge a processing fee (like a traditional merchant fee that applies to credit card transactions).

This kind of revenue stream would align well to a subscription-based fee model where workers

can engage with the union free of charge and upgrade to paid bundles when those are required – and downgrade when they are no longer needed.

When combining the idea of micro-transactions with a subscription-based fee model, the union becomes more responsive to the broad range of worker needs, and more agile in its ability to organise, while retaining its ability to generate the income required to operate.

Some of the benefits of shifting towards this model include:

- Unions become accessible – By adding this income stream, unions could restructure membership fees to make unions financially accessible to everyone.
- Fee payments become fairer - People only pay when they are using the services of the union to gain something of value to them.
- Fees are affordable – For those who are paying, these micro-transactions are so tiny they will never be an impediment to membership.
- Workers are sending money in the right direction – People already pay transaction fees for every purchase. Transacting through the union platform enables them to ensure those fees are going to a worthwhile cause.
- The union has far more members and therefore greater opportunity to have influence and make a difference.

The beauty of this concept is that income is directly related to the success of the community and the union. It is fully aligned to purpose.

This concept is not a future dream. Software is currently being developed in Australia that will enable unions to build a member community affordably and, if willing to take that step, shift into subscription models and generate income from micro-transactions. See www.trybz.com.au for more details.

Unions are most likely to try these concepts in areas of low membership. At 9% membership density in the private sector, it is certainly worth a go. The challenge will be to then use these numbers to create real change.

5.3.7. User experience

The way workers find out about and access the services is often a clunky and painful experience. Unions must invest to ensure a frictionless user experience. A poor experience will often confirm that the union is not worth joining or remaining as a member.

5.3.8. Let's negotiate collectively!

Although the benefits or services required by each union will be somewhat unique, unions should work together to share in the cost of their creation or share what has already been created. In some cases, unions may jointly bargain to bring the cost down. This could extend to collective negotiation for in-house union requirements, such as cars, mobile phones, bank fees and CRM systems.

5.4. Adopt distributed member engagement frameworks that allow members to build and maintain strong communities

Most unions have most staff and resources in state branches. A new form of practical federalism is required if unions are going to embrace the innovation required. Unions will better leverage the power of their communities by moving to more innovative distributed models.

The branch or division structure is a legacy of history. There are often discussions in unions about achieving a more national structure, but they often exhaust huge political capital with little result. The same can be said about union amalgamations.

However, much of the benefit of a national structure or amalgamation can be achieved without a change to structure. That is not to say unions should not look at more efficient national structures or amalgamation. But even without structural change, achieving efficiencies and scale is essential.

Duplication of functions, separate procurement, attempting campaigns with national employers separately, creation of content and services separately, different technology systems; these are not sustainable if we are going to face up to the changes required, free up resources and grow.

But unions could invest in a modern customer relation management (CRM) system together, tailor it for local needs and have data sitting on their own server which would save hundreds of thousands of dollars without causing a political issue.

5.4.1. The benefit of identity

Unions need to be able to influence nationally but engage locally to maintain a strong sense of member community. This makes branches and local offices an important element of building a strong community.

The benefits of the local focus and staff close to the ground should not be lost in any change process. But unions also need to cater to workers who see themselves connected to tribes that are not geographically based and for whom local branches are not relevant.

Some unions have a divisional structure that provides the opportunity for segments to identify. The division may be an electorate under the rules or simply a brand. For example, Professionals Australia has a brand, Translators and Interpreters Australia. The group may be based on occupations or industries.

This was the original concept of 'trade' union - workers could identify around their trade. Unions need to modernise that concept beyond trade because they are at risk of losing the benefits of that identity.

Interestingly, nearly all unions that are growing significantly have a trade or professional identity, for example, the Australian Nursing and Midwifery Federation (ANMF). The workers not only join for the services, they join to enhance their sense of connection and identity.

5.4.2. Using components to convey relevance

Many larger and combined unions naturally have a common name, but still can achieve these benefits through the setting up of relevant groups and brands - formally or informally.

These component groups are an important element of building a strong community. Components provide the union with a tool to create pathways for different tribes to engage with the union in ways they feel comfortable.

For example, the Media Entertainment and Arts Alliance (MEAA) has strong identities including MEAA Media, MEAA Equity (for actors), MEAA Entertainment Crew and Sport, and MEAA Musicians. How the union deals operationally with the different groups is a matter for internal judgement.

Staff may or may not be allocated to these groups. Some staff will operate across all groups as the most efficient way to function.

While operating as one union, MEAA maintains the benefits of local focus and identity. Most importantly the workers it seeks to organise can identify with them.

5.4.3. The difference between traditional and newer component models

Traditional component frameworks are usually permanent groups (such as branches) set up to service a geographic location or specific group and the individuals governing that group change periodically.

In this kind of structure there is the potential for the component to become insular and inadvertently parochial - focusing on the members it has now.

While many of these components had a strong purpose when they were formed, often this has faded, and the group continues to exist because it has always done so - not because it has a purpose that defines it.

This does not mean traditional frameworks should not exist. But they should be reviewed to ensure they are still aligned with – and supporting – the core purpose of the union.

Newer component frameworks are driven by purpose. This has led to a larger emphasis on ad-hoc groups that have a clear mandate for existence with key performance indicators that enable tracking of how successful they are in achieving that purpose.

Components are formed to fulfil a specific purpose (often driven by members); members are selected based on whether their participation will ensure the successful attainment of the purpose; and the component may cease to exist once the purpose is attained.

This flexibility provides a larger range of avenues within which members can participate. It also provides pathways that suit the different kinds of engagement people want.

For example, a member may want to help the union build its professional/vocational development capacity. Other members may want to sit on bargaining committees. Others may be happy to participate in an online community helping answer members' questions about work, not just industrial relations.

5.4.4. Distributed networks are a powerful addition to a union

The cycle of decentralise-centralise-decentralise is one that has existed within unions for many years. Unfortunately, neither option is ever the perfect solution because both require the union to make assumptions and create structures that would often be better determined by the members themselves.

There is still a need for unions to have governance structures and coordinated groups. There is also a need for the union to get out of the way and enable members to create their own pathways. That means integrating distributed component frameworks into the union strategy.

The most successful method for undertaking this process is to become a platform that allows people to connect and form tribes independently of the active involvement of union staff. By creating the mechanisms that facilitate but do not dictate, unions can create a solid foundation upon which communities can grow.

Some unions are trialling this through the setting up of online communities that are the equivalent of a union-specific Facebook or LinkedIn.

This enables membership to create its own groups within the union frameworks – creating their own value and attributing it to the union.

This requires the skill to develop and implement a distributed model of engagement, which is a challenge for those unions who feel more comfortable operating within centralised or de-centralised structures.
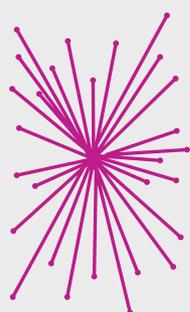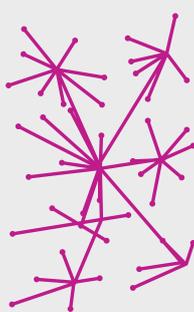
Centralised   Decentralised   Distributed

6. Strengthen key enablers to ensure success

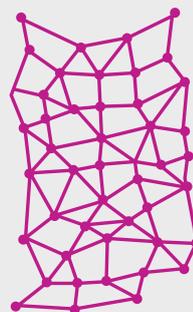You cannot build a powerful building without ensuring it has strong foundations that will support the structure. In the same way, unions cannot grow effectively without the operational enablers. A union which can achieve success in these areas will have created the foundations upon which it can grow strongly and sustainably into the future. This section discusses the key enablers unions must strengthen to provide the foundations for success.
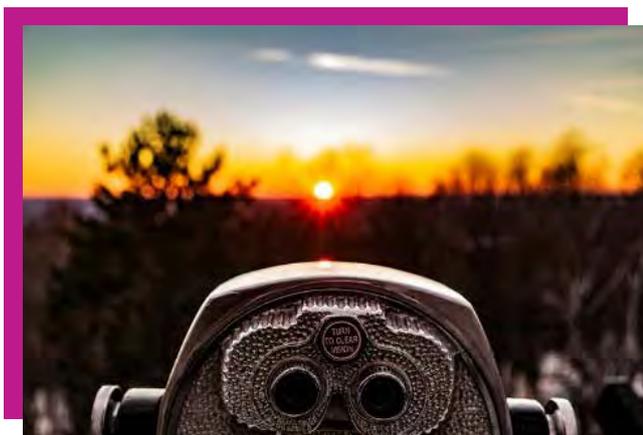
6.1. A visionary leadership team united by a shared understanding and passion for the purpose of the organisation

Successful unions are characterised by a dynamic, cohesive leadership team, comprising the senior executive and senior staff, and the governance body, who have a shared vision of the future, the pathway to get there, and the motivation to achieve it.

Effective change is rarely achieved without quality leadership. In the 25-plus years we have been working in associations and unions, the only consistent characteristic of all the successful organisations we have come across has been the quality of the leadership team.

Leadership is distinct from governance. A union can have good governance without having effective leadership. Leadership is distinct from management. You can effectively manage the status quo, but not be an effective leader.

6.1.1. Take a fresh look at leadership models

Traditionally, union leadership is linked to elections because the belief has always been that this allows members to control and direct their union. However, there is a significant risk that this can become a popularity contest where the most popular, rather than the most competent leader, wins the role.

As a way of mitigating this risk – and allowing members to still retain that control - some unions are moving to a structure where the leader is appointed by the elected membership committee. There is then a separation between governance, controlled by the elected committee, and operations, run by the appointed leader. These leaders are on a short-term contract which is only renewed with performance. More realistically, this provides an easier way to attract talented leaders and address those not up to the job.

To ensure the right mix of skills at a leadership level, there is the option to identify the required skills and, where those skills are lacking, appoint qualified people to fill those positions.

6.1.2. Provide the support necessary to equip leaders with the skills they need

There is no perfect model, but it is essential unions improve the capacity and calibre of their leadership.

The role of the union leader is difficult and complex. They are expected to lead, deal with the politics, engage with government and stakeholders, get involved in disputes, develop strategy, decide on new technology, deal with internal staff problems and so on.

Yet there is little support or education provided to union leaders. In many ways, the leader's job is isolated and there is a lack of effective networking. Mechanisms are needed to ensure union leaders can support each other and learn from each other in a safe environment.

6.1.3. Build a great leadership team

Some of the characteristics of unions with awesome leadership teams are:

- A shared vision about where the union is going.
- Agreement on the pathway to get there.
- The ability to make staff and other stakeholders' enthusiastic participants on the journey.

Elements of a successful leadership team include:

- A great working relationship between the governance body and the senior executive (particularly the president and the senior executive).
- An effective senior leadership team with contemporary skills.
- The ability for all members of the leadership team to consider the data, look for innovative solutions, and have robust yet respectful discussions.
- Effective translation of the vision into a strategic plan that is realistic and invests resources appropriately.
- Effective translation of the strategic plan into operational tasks and KPIs that will meaningfully contribute to achieving those objectives.
- The willingness to ensure staff have a strong understanding of how their role contributes to the success of the union and participates enthusiastically in the direction of the organisation.

A great leadership team with a shared vision of the future is essential for the development, implementation and success of transformational change. While this idea is difficult to realise, it is something all leadership teams should strive for.

6.2. The ability to convert a shared vision into a practical strategy

Robust strategic planning enables the development of a clear roadmap forward to achieving an inspiring vision of the future. This means that evidence-based strategic planning processes with measurable, time-dependent objectives that flow throughout the union as operational KPIs is essential. These should be supported by effective monitoring and reporting against the strategy that feeds into the ongoing strategy refinement process.

To successfully navigate the changing operating landscape, unions need an ongoing strategic planning and review process that enables them to develop and adapt strategy to match the pace of change.

Shorter strategic planning cycles will enable unions to adapt more nimbly to change. The strategic plan should be a deceptively simple document – a good plan should be able to be visually summarised on a single A4 page and should contain:

- A strong purpose.
- A powerful vision for the future of the organisation.
- A compelling short to medium term goal.
- Specific, measurable objectives and strategies that form a logical pathway forward to the goal.
- Hero projects that will define goals where appropriate.

The effective implementation of the strategic planning process is critical for its success. Staff KPIs, union resourcing and job descriptions should derive from the goals and strategies within the strategic plan.

6.2.1. Ensure evidence-led decision-making processes are in place

Information is power. Data-driven decision-making and reporting ensures insights usefully inform the decision-making and strategy development process to produce a successful outcome.

The kind of person who participates on an executive represents only a tiny segment of the membership population.

It is therefore logical to assume that their opinions are not reflective of the perspective of the entire membership and the broader community.

For this reason, it is imperative unions have strong frameworks for gathering data and convert that data into useful insights. These should be collated into a logical reporting format that provides context for reporting against the strategy and ensures decisions are based on evidence rather than opinion.

It is essential unions become adept at collecting, managing, and interpreting data to enable increasing effectiveness of decision-making and planning processes.

Great data management will enable unions to "fail fast - or more importantly fast tweak or iterate, based on the data.

The future relies on adaptation – be this in structures, responsiveness, connection, technology or services. Unions need to learn from approaches that did not work as well as success.

As a union movement we can improve on critical reflection and honestly sharing experiences.

6.2.2. Set realistic goals and objectives

Part of developing a strategy is setting goals and objectives. Setting completely unrealistic goals and objectives can be tremendously demotivating for a staff and leadership team and lead to significant adverse outcomes.

Having the right data available can assist unions to test goals to ensure they are realistic.

> *For example, it is common for unions to set overly ambitious membership targets that do not stand up to scrutiny and served only to potentially demotivate staff.*
>
> *Say a union with 21,000 members on December 31, 2020 set a target of 30,000 members by 2023. Using historical data, we can test this goal …*
>
> *If its best retention rate was 90% and the greatest number of new members it had ever recruited in a single year was 2,500 then we can do a "best case scenario" test.*
>
> *In 2021, if it equals its best retention rate and number of new members then it would have 21,400 members at the end of the year ((21,000*90%) +2500).*
>
> *If it repeated this in 2022, it would have 21,760 members ((21,400*90%) +2500). If it repeated this again in 2023, it would have 22,080 members (21,760*90%) +2500).*
>
> *So, if it matched its greatest ever performance for both recruitment and retention over the three years, the best possible result would be 22,080 members - nowhere near its 30,000-member goal.*

If you always do what you have always done, you will always get the same result or worse. The only way that target could be realistic is if there was a fundamental change to the way things were done.

Having the data available to test the goal enables the union to identify where it needs need to reassess the goal or invest heavily in the resources required to significantly vary the outcome.

Having the data to monitor implementation of the goal also enables a union to act in agile ways responding to the process dynamically as things progress and change along the way.

6.3. Robust governance structures that provide the foundations for effective leadership

We live in a world where your entire organisation can be destroyed in minutes by a poorly considered tweet. Governance models desperately need to catch up and unions need to ensure their governance practices are up-to-date and, embrace innovation, "nimbleness" and robust strategic oversight.

Much has changed since the most commonly used reference for meeting procedure in the English-speaking work (Robert's Rules of Order) was published in 1876.

Most union constitutions were written when the idea that one erroneous tweet or action could significantly damage a union within hours would have been greeted with incredulity. They were certainly written before the Registered Organisations Commission was formed, with unions now facing large fines for any lack of compliance.

Unfortunately, many unions still labour under archaic governance structures and processes. While some elements are still valid, there are many elements overdue for an update.

Doing things "the way we've always done them" is a weight that often permeates through the union and affects performance and outcomes at every level.

The fast-paced, tech-savvy, shifting operational landscape of today needs a modern governance structure to match, particularly because the effectiveness of the executive should have a massive impact on success of the entire union.

Implementing the change required is difficult in unions where one or more executive members is resistant to the level of change required to move their union into the future.

Some feel uncomfortable with the fast-paced technological future. They may also be reluctant to adopt more innovative initiatives as those initiatives do not appeal to them personally or they are unwilling to give up the power they have fought to attain.

It is this kind of self-centred thinking that will lead some unions to fall dangerously behind in the race to adapt to the new landscape the perfect storm is creating.

For a union to undertake the kind of transformation needed to thrive in the future, the entire governance body must be prepared to be open to transformational ideas and allow themselves to be guided by good research to understand the best way forward.

Steps towards change could include changing the governance body composition to get the right skills and changing mindsets by having the right strategic discussions that open minds and challenge assumptions.

6.3.1. Plan to build and maintain a successful governance body

Your governance body must be able to act as a team working together towards a common goal. Your ultimate governance body may be an elected board or a federal council or similar. The characteristics of successful governance teams include:

- A great relationship between the elected committee, the secretary and other senior staff that is respectful and allows fearless discussions.

- A culture that embraces ongoing training including opportunities to engage personally with other members to broaden horizons.

- A focus on strategy and asking of strategic questions (such as "Are we resourcing what's important?") while avoiding micro-managing the senior staff.

- Strong written policies, and procedures that clearly define the roles, scope, and workings of the elected committee – followed by all officers.

- Reporting frameworks and agenda formats that provide insights and context to ensure evidence-based decision making.

- Well-designed decision-making processes to provide the confidence to make the tough decisions and ensure rigorous processes to reduce risk.

- A structure that effectively incorporates the perspectives of members and divisions/branches.

- Nimble processes that enable informed and timely decision making and ensure the elected committee does not inhibit the successful implementation of strategy.

- A broad range of diversity (for example, age, gender) and skills (legal, financial, membership, organising).

- A manageable size (usually seven to nine people).

6.3.2. Nurture a team of successful governance members

Each person on the governance body has an important contribution to make if the union is to achieve its goals. It is important that each member is exhibiting the key characteristics of a successful governance body member to maximise their contribution. This includes:

- An understanding of the context of unions as well as their own industry or vocation.

- Passion for the purpose of the union.

- The commitment, attentiveness and motivation to contribute effectively including performing tasks within deadlines, attending meetings, pre-reading committee papers and responding to requests between meetings promptly.

- The strength to show respect to other council committee members and union staff – even during challenging discussions.

- The capacity to remain strategically focused - even when tempted to become operational.

- The ability to avoid the temptation to allow personal agendas, pet projects unrelated to the strategic direction of the union, and grievances with other members impact their conduct.

- The skill to undertake the role including the ability to interpret financial reports, critically read other reports, and ask questions to ensure they fully understand the information provided.

- A clear understanding of the role of the elected body and including, if relevant, the compliance requirements and duties. Governance body members are now Officers by law.

6.4. Software that creates internal efficiencies and ensures consistently powerful outcomes for members

Efficient processes embedded into technology and enhanced by marketing automation and quality data enable the union to create powerful outcomes for all members of its community.

As discussed earlier in this paper, awesome technology is the cornerstone of being able to undertake the transformational change necessary to survive the coming shifts. This shift is a global phenomenon and unions should look both locally and internationally for solutions.

The addition of a strong software solution can lead to immediate and significant positive improvements.

For example, one union was able to halve its member unfinancial rate and reallocate half of the resources in a membership processing area through automation and improved processes achieved via technology.

Unions must invest in technological solutions that will enable them to become a platform that helps strong communities to thrive.

This does not mean picking a technology vendor and trying to make your organisational operations fit the constraints of the technology. Instead it means:

- Having a vision of what awesome technology means for your union.
- Documenting what those needs would look like in a practical sense.
- Undertaking a needs analysis that collates the requirements across your organisation (events, finance, membership, governance, volunteer management, membership management, etc).
- Finding a technology solution that will deliver exactly what you need – or at least one that will move you closer to the solution you seek.

While you may not be able to achieve everything in one go, a solution that can enhance your ability to undertake the scale of transformation needed is a great first step.

6.4.1. Use technology to support powerful membership growth

Strong policies and procedures around member recruitment and retention should be embedded into the technological framework of the union enabling the creation of operational efficiencies, saving time, saving money, and ensuring a consistently excellent member experience.

These should be regularly reviewed to ensure they are keeping pace with changing member expectations and the operational landscape.

Policies and procedures must be designed through the lens of the member experience because it is the emotional relationship members have with the union that will determine if they renew or not. Processes that threaten this should be avoided.

This should be applied to all possible processes around building your community, and recruiting, retaining, and engaging members.

6.4.2. Select the right technology

Great software is essential for rapid growth and a key foundation for success. This makes selection of an appropriate system exceptionally important. A good system should:

- Maximise the member experience and usability (for example, using an interface that has the look, feel, and intuitive usability of the social media sites that are already familiar, such as Facebook).
- Deliver tailored value and solutions to members (for example, a learning management system that enables delegates to easily access education and professional development opportunities).
- Streamline internal workflows (using marketing automation to assist in assigning tasks to staff and being easy for staff to use daily).
- Maximise the union's ability to achieve organisational goals (the ability to mobilise and organise members behind specific campaigns, providing tools and accountability for organisers).
- Optimise member recruitment, retention and engagement opportunities using marketing automation (using marketing automation to streamline renewals).
- Build strong member communities by offering pathways for members to engage directly without the need for personal facilitation by the union (online community enables members to form social groups).
- Be fully integrated to create a single "source of truth" (CRM, website, online community, learning management system, and financial system are all-in-one).
- Produce useful insights and reports that inform decision making at all levels of the organisation.

The Union Innovation Hub is an initiative to support unions to achieve digital transformation and access the best technology at lower costs.

6.4.3. Implement strong quality control mechanisms around your data

Good decisions can only be made if the information that informs those decisions is equally good.

The ability to capture, collect, and convert good data into quality insights is a skill that will only become more critical into the future.

Unions can develop the capacity to leverage the data they have on hand to its full potential so it can be applied to powerful advantage – particularly if unions collaborate to connect data in meaningful ways.

Unions need to understand what data they need to ensure quality decision making, and then embed in their systems processes to collect and interpret this data on an ongoing basis.

6.4.4. Harness the power of the collective to reduce technology costs

There is the opportunity for unions to reduce the costs of implementing powerful systems by working together to reduce the costs of these kind of innovations. Unions can form user groups such as the Union Innovation Hub to reduce costs and fast-track innovation.

Working together, unions can achieve savings on:

- Licence fees through collective negotiation.
- Licence fees incorporating more modules or features.
- Costs of construction through the creation of a template designed for unions and the employment of experts (to avoid paying contractor rates).
- Costs of new features through exchange and agreement on next projects.

Unions planning to review their technology needs should reach out to others and see where they can work together.

6.5. A passionate, purpose-driven, culture throughout the organisation

A healthy, passionate, outcomes-focused, collaborative workplace culture that does not tolerate toxic staff members is essential for sustained growth.

The most successful unions are facilitators of engaged communities of workers. Communities are built on relationships and are nurtured by people.

Specifically, let's discuss your staff.

People are no longer loyal to companies or organisations. Instead they are loyal to people. To build and maintain a strong community your entire staff is responsible for creating deep connections with members while undertaking their job.

To do this well, your workplace needs to be comprised of people with the skills to do the work and the passion to want to do it well. If you expect your staff to nurture your member community, then you need to ensure your staff is equally well-nurtured. This means creating the kind of workplace in which people aspire to work. This means giving staff:

- A purpose they can buy into emotionally.
- A plan to achieve that purpose.
- The means to celebrate achievement against the plan.

- Robust frameworks within which to operate.
- The freedom to be innovative and show leadership in the undertaking of their role.
- A clear understanding of how their role connects to organisational outcomes.
- The mentoring, training and support that will ensure they have the skills to execute their role well.

It also requires identifying and removing the roadblocks that frustrate their efforts to do their jobs well such as:

- Operational dissatisfiers which make their job difficult (for example, sub-standard computers),
- Toxic staff members who have the potential to destroy a good culture if allowed to fester.
- Process failures (decision-making bottlenecks).

Other factors that will help to structure a workforce that will meet the changing landscape effectively include:

- Encouraging a relationship-based approach to recruitment of members. Staff should understand that promoting union membership and services helps people – not just generates revenue.
- Digital infrastructure that provides the tools for staff to do their job better and enables data-driven decisions and accountability.
- Having salaried staff focused on member-facing and mission-critical areas.
- Ensuring core functions of the union are appropriately resourced and efficient.
- Reviewing non-core functions to identify those that would be best outsourced to provide the bandwidth for the union to allocate resources to innovation that will enable it to remain nimble.

6.6. A structure that supports and prioritises effective organising outcomes

The change to organising models needs to continue to evolve and the models need to adapt to the contemporary needs of workers.

Many unions describe themselves as organising or campaigning unions. This shift to organising from the mid-1990s was essential for the union movement, given the shift to a more hostile climate. As unions lost institutional power, with laws, government and employer attitudes becoming increasingly hostile, unions needed to reconnect with the workforce. This meant organising to build the active involvement of workers, finding and developing workplace leaders and growing membership numbers.

The basic strategy involves:

- Finding widely and deeply felt issues among the workforce.
- Setting up organisation to enable the workforce to discuss the need to change their situation with the assistance of a network of workplace activists.
- Educating that joining together and being active provides the power to win.
- Developing a series of actions or activities to exercise the power to win.

The framework uses the technique of anger-hope-action. Workplaces are mapped. Objections are acknowledged and handled. Activists are identified and workplace organising committees are created. Activists are provided with tasks and supported by talking and walking them through activities, always understanding why the task helps the plan to win. Issues are identified and discussed. Collective activities are organised. Through the process workers learn about power and the effectiveness of working together.

To improve the capability of unions to organise, significant effort went into training organisers, setting up lead organisers and in many cases shifting resources to growth. This was supported by finding and developing workplace leaders and by taking the debate to existing delegates.

This effort had a significant impact in stabilising membership levels after the massive decline of the 1990s.

Many unions realised in the early 2000s that simply scaling organising site by site was essential but unlikely to achieve the necessary growth.

Some unions started to develop industry sector campaigns with the aim of achieving larger-scale growth and wins. Many unions identified that in some ways they were dealing with the symptoms at the workplace and needed to organise workers across an industry.

Unions recognised that the real decision maker was not always the employer at a specific workplace and to win they needed to move other decision makers, and in many cases, the government.

This required the augmentation of bottom-up organising with alternative strategies and leverage. Some campaigns required the allocation of resources to build alliances, use of capital strategies, targeting a brand, campaigning with the community and engaging in political activity.

In turn this required new skills including the effective use of the media and capacity to run community campaigning.

6.6.1. Organising is a key strength that should be built upon

The union movement was tapping into the concept of building communities in a very specific way. This is a strength that should be built upon and modernised where possible to make it more accessible and relevant.

Much more can and needs to be done to improve organising and campaigning capacity. Unions can significantly improve their organising skills and capacity and achieve better results if they support traditional efforts with innovative techniques and digital technology.

For example, digital technology can fast-track list building, identification of potential leaders and potential members. It can also facilitate sign-up.

Unions can achieve far better results if they continue with an industry sector focus and continue to develop strategies in addition to bottom-up organising.

6.6.2. Organising models must adapt to the worker

There is something fundamentally wrong with blaming workers for not joining. It is not up to workers to fit with a model that does not align with their needs. It is up to unions to adapt their models to fit the contemporary realities and attitudes of workers.

If they do not want to pay $650 and have an organiser visit them to bargain once every two or three years, we should find other pathways to deliver outcomes for that worker. If workers expect more from their union than the basics, we should meet their contemporary needs.

6.7. A powerful branding and positioning strategy that positions the union for the future

An engaging positioning and branding strategy ensures the union is positioning itself in the hearts and minds of stakeholders in a compelling way.

Members do not join (or renew) for your services. They do so because of their perception (opinion) of your services.

Every time someone interacts with the union, they form an opinion about it (either subconsciously or consciously). You cannot stop that process happening, but you can influence the opinion (or perception) created.

The challenge is that membership is intangible. It is not possible to touch, taste, smell or feel a membership. As a result, people can only form opinions from the intangible elements of membership, such as the promptness of response; the wording of your communications; how well your website works; their experiences at meetings and so on.

Positioning is the process of choosing how you want to be perceived (knowledgeable, professional, innovative, strong), and branding is the way you create those perceptions (changing the way people answer the phone, your logo).

Branding is not just a logo and a style guide. It is the way the organisation is presented and perceived. The importance of getting branding right cannot be overstated.

As a service-based organisation, it is vital to control your positioning and brand strategy. It may mean creating a different positioning strategy and brand for different segments.

For example, if you choose to position yourself as the foremost provider of expertise in your industry and the logical organisation to join, you will develop ways of expressing that position. This could be through your mix of products, involvement in training programs at university or TAFE, regular submissions and commentary in the media, high-profile visual activities with members all wearing the same branding, the profile in the workplace, an active rep who welcomes all new staff, the way staff dress, and your customer service standards.

These combine to position your union in the minds of your target market. That is your brand.

A strong brand allows you to clearly differentiate yourself from competitors and define yourself in the marketplace by emphasising who you are and what you stand for. It enables you to clearly communicate your mission, increase your awareness and visibility, unite people behind your cause, and promote loyalty among staff.

Brand strength can carry you in times of hardship. Consider the following comment by a Coca-Cola representative on their brand: "If all Coca-Cola's assets were destroyed overnight, whoever owned the Coca-Cola name could walk into a bank the next morning and get a loan to rebuild everything."

Unions need to focus on becoming a brand with which your community wants to align.

Branding should permeate everything unions do. It should guide every communication unions make with their members. It should form the elevator pitch. It should be in every conversation unions have with their members.

This is perhaps the greatest challenge because it requires a day to day commitment from all. It requires all staff to be on the same page, and all communications to align. This in turn requires better training and processes to achieve this goal.

And unions need to ensure they align with the needs and wants of members and potential members. If the vision, values and voice of the brand all align, members and potential members will readily be able to understand whether the union is an organisation that aligns with their wants and needs.

Over the past few years, unions have spent a significant amount of time talking about differentiation and segmentation of membership. Branding should to some degree sit above this and provide a consistent connecting message that brings together what unions are doing for members across the board.

"Branding should permeate everything unions do. It should guide every communication unions make with their members."

Ultimately, the motivations behind getting members a pay rise are not dissimilar to helping graduates get a job, providing affordable insurance or cutting a few hundred dollars a year off their grocery bills. However, many unions lack a guiding message and brand that unites these services.
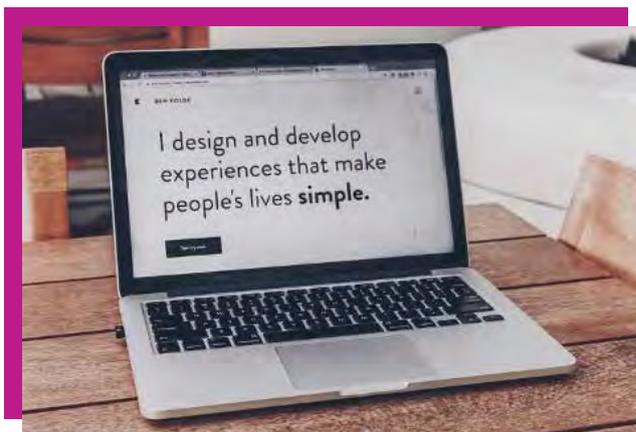
6.8. Proactive sales and marketing processes to ensure sustainability

Often the terms marketing and sales are used interchangeably. For the avoidance of doubt, marketing is the strategy you employ to develop, position, brand and communicate a product to your marketplace. Sales is asking someone to buy it. Without sales, marketing is often wasted.

If you believe that someone is better off as a member then "sales" is about providing great customer service – you are delivering a solution to someone who needs it. It is not about "tricking" people or getting someone to do something that they do not really want to do (at least, not the type of sales an ethical organisation undertakes).

For a union to maximise its ability to grow it requires both marketing and sales processes to be optimised.

6.8.1. Develop a segmented, personalised and highly targeted marketing strategy

The ability to deliver an effective, innovative and modern marketing approach is crucial if unions are to achieve organisational goals, including engagement, retention and growth.

A sophisticated, segmented approach to marketing is required. There is significant scope for further modernising of marketing systems.

Automated marketing, re-marketing and re-targeting, content marketing, list building, membership growth campaigns, win-back campaigns, and social media management and digital advertising are all ripe for improvement or implementation.

Some unions have improved their ability to build lists and convert contacts to membership, purely via digital means. This has expanded into traditional workplace-based campaigns and large-scale membership drives.

A focus on this area would be certain to yield rewards.

6.8.2. Ensure your website is working 24 hours a day, 7 days a week on your behalf

Many unions have multiple websites covering different areas of membership. These websites attempt to meet the needs of both members and non-members. As a result, they have become quite complex and unable to effectively deliver a growth message to non-members, while simultaneously delivering an engagement and retention message to members.

In a massive change to website strategy, some unions have implemented a strategy that incorporates an external "brochure" site with an additional online member community or portal. This allows unions to more effectively segment and simplify the message that the websites aim to present.

When those websites are integrated with a good CRM system, the union can obtain better information about the needs of members by observing how they engage through the portal and what services they are using.

Done well, the union can anticipate member needs before the member is even aware of them. The union can then present a highly segmented, personalised and tailored experience for members, with content specific to a member's persona and anticipated needs.

6.8.3. Ensure you have all four layers of sales activated to achieve powerful growth

There are four layers of sales process within a union that can be activated. These are:

- **Outsourced transactional** – where the union does not have capacity it can use an outbound call centre (one like Optimum Contact which specialises in membership) to undertake specific, intensive campaigns. This can be turned up quickly to achieve quick short-term outcomes (good for recruitment, renewals and unfinancial follow-up, and reactivation campaigns).

- **In-house transactional** – An in-house in-bound/out-bound transactional sales function that can provide consistent follow-up of day-to-day opportunities. Steady short-term returns.

- **In-house high value** – An in-house high-value person. Often responsible for high-value memberships, sponsorships and partnerships. Medium to longer-term returns but high value.

- **In-house structural** – Someone responsible for the ongoing review of the structure of the union's products, services, events, publications, and assets to ensure they are optimised and align with purpose. Significant medium to long-term returns.

6.8.4. Actively identify opportunities to leverage additional revenue

Traditionally, unions have not actively sought alternate revenue sources beyond union fees. Ideally, unions should have three to four strong revenue sources implemented in a considered way. When looking at implementing new revenue streams:

- Avoid trying to implement all at once. Ensure you give each one the time and resources to succeed.

- Try to work towards a situation where there are diversified revenue sources with none dominating.

- Avoid breaching your members' trust by implementing a product, service, or revenue stream you cannot deliver in a compelling way.

- Leverage the database and data to achieve revenue.

- If considering sponsorships and partnerships, have an overarching strategy in place that enables the union to generate strong and sustainable income streams through establishing multi-year partnerships with a carefully curated suite of partners, whose values are in line with the union.

6.9. Robust financial management and reporting that usefully informs decision making and oversight

To ensure the long-term sustainability of the union, it is essential that strong financial management processes are in place. This includes the ability to identify operational efficiencies, reducing unnecessary duplication, capturing opportunities to generate additional review, producing reports that enable effective oversight, and overseeing the productive investment of funds in reserve.

6.9.1. Identifying operational efficiencies

As member-based organisations, administration processes occupy a significant amount of resources with many existing processes being the result of legacy systems. There is significant scope for modernisation and improvement.

Modernising administration can produce significant positive outcomes through better management of processes, improving member experience, reducing resource consumption, and freeing up staff to address other organisational priorities.

There is no silver bullet that will guarantee success. Rather, it is the ability to consistently do the little things well, and the ability to continually review and improve that will drive us forward.

6.9.2. Reduce duplication of resources through collaborating with others

Significant resources can be freed up in most unions by reducing operational inefficiencies. In many unions, each branch duplicates the same content, service or process. Duplication is often found in a range of areas such as membership software, websites, call centre scripts, industrial fact sheets, and professional development.

Phones and cars are purchased separately, and each union does a deal on bank or pay gateway services for membership processing separately.

Unions loudly promote the benefits of collective action but there is often little evidence of unions acting collectively in areas where such action would reap significant rewards – such as collective buying.

The bargaining power if multiple unions cooperated would be substantial, and massive benefits could be generated for unions and members.

Some areas of potential collaboration are perceived to be no-go zones. At their heart, unions are political organisations and concerns about data security, distrust of other parties and similar issues prevent such action.

Most of these concerns can be managed. For example, with modern technology staff do not need to be in one location to still achieve efficiencies and data can be secured. Data can remain on separate servers or be secured in the cloud.

Given the state of membership and the need to allocate resources to innovation, unions must overcome past concerns and act to reduce inefficiencies to ensure the resources to fund change are made available.

6.9.3. Implement systems to ensure best-practice financial management and reporting

Most unions now have effective financial management, but this can be made more efficient and controls can be improved with the use of technology such as scanning receipts, dynamic dashboards of financial information, and integration of the systems to collect fees and manage membership.

7. Focus on strategic membership growth

Effectively recruiting and retaining members is a process. Like any process, if you can streamline and ensure that every part works together smoothly, then you will maximise the return from your efforts. The result should make the pathway to membership a natural, easy process.

The membership machine is a model that divides the process of recruiting and retaining members into seven stages:

- Lead generation
- Prospect relationship management
- Sales process
- New member integration
- Member relationship management
- Renewal process
- Reactivation process

This model works on the premise that, in the same way that one missing cog can affect the output of a large machine, one small task done ineffectively can affect your entire member recruitment and retention process. Therefore, your membership machine needs to be carefully designed and constructed piece by piece. You need to find the best way for all the small jobs that need to be completed to fit together to minimise loss of opportunities or wastage of funds.

You should be able to map the progress of a lead through your system with ease – knowing exactly what will happen from the moment the lead enters the system until it eventually leaves the system. If you cannot do this, it is not a matter of whether you are losing members, but a matter of how many you are losing.

7.1. Growth is easier when you prioritise retention

The goal to grow the organisation is impacted by a combination of new member gains and the retention of existing members. Building membership by attracting new members is difficult, as each gain is a new person that must be convinced of the value of membership.

Member retention on the other hand is potentially more manageable. Unions know who their members are, unions know a lot about them, and at one point in time they have determined that membership with the organisation is worthwhile.

Member retention remains a significant challenge for many unions, particularly in the early years of membership. Fees often significantly increase in this period which further exacerbates the issue.

Research indicates that small targeted efforts, focused on addressing key periods of loss and key opportunities and threats may have a significant impact on membership. Focusing on better understanding membership will allow unions to address these areas, making incremental differences to membership.

Managing the inflow and outflow of members and taking a more proactive approach to the regular pattern of ins and outs will play a key role in this process.

Unions should ensure they have programs in place to prioritise member retention and address key risk areas and points of member loss.

Following are a few key areas to consider:

7.1.1. Integrating new members into your community

Many new members are lost in the first year or two of membership. There are several factors that cause this to happen including:

- **Less commitment** – New members are less committed because they have less experience and less knowledge of your services. While they may be members, they do not yet feel like they "belong".
- **The "gym" phenomenon** – Many new members have all the good intentions of getting involved – but other things take priority and before they know it, it is the end of the year and they "didn't really use the membership".
- **The "fear" factor** – As with any newcomer joining a group, there is always a settling in process. The first step in that process is for the new member to get to know new, unfamiliar people. This can involve scary things such as walking into a room full of strangers. This kind of activity opens them up to rejection – therefore many never take that first step.

In order to prevent these factors from having an impact on your retention levels, it is a good idea to develop a special program for first-year members. A good program can have an impressive effect on renewal rates because it increases their loyalty and their perception of the value of their membership.

It is important to have a range of strategies and tactics that engages new members in order to both fulfil and exceed their expectations. A well-structured on-boarding program will ensure your new members renew, and continue to renew, year after year. The on-boarding journey can combine a digital journey with individual connection.

7.1.2. Ensuring existing members are engaged and wish to remain members

The key to effectively retaining members is the ability to create and maintain the perception that they are better off as a member than a non-member. Therefore, when someone has become a member, there must be a very noticeable difference in the perceived benefits they receive and the level of contact they have with you.

As a prospect they were used to receiving a certain amount of information from your union. The level of contact must be far higher after they become a member. Therefore, great care must be taken in designing a member relationship management process that complements other activities.

Member retention is crucial. It should be an ongoing process, not something that is neglected for a while and then causes panic when people realise how bad the retention rate has become. It costs money to get new members. So, do not waste that money by not doing what it takes to get them to renew.

Do not put barriers between you and members. Have as many points of contact as possible so members feel welcome to talk to their union via email, telephone, fax, forms on the website, or coming in to visit. Computerised telephone management systems are not recommended.

Most importantly, the more engaged a member is, the more likely they are to renew. However, different members have different preferences when it comes to engaging with the union. Some wish to engage with the union, but most wish to engage with each other. Therefore, it is important to offer a range of engagement opportunities that represent different time and travel commitments to cater for all tastes available. An online engagement capacity is critical.

7.1.3. Undertaking an effective renewal and management of unfinancial members

Renewals are a referendum on member satisfaction. For many members, the decision to renew or not to renew has been made well before renewal time based on their experience with the union throughout the year. But how you set up your renewal process can still have a significant impact on your retention rate. There will always be a significant proportion of members who fall into one of the following groups:

- **Moved** – These people have changed their email address, postal address and/or fax and have not advised you. Without something coming back "return to sender" (which does not always happen) they will not get your renewal notice – even if they want to renew.

- **Busy** – These people are busy and will receive your renewal notice and put it… somewhere. And then promptly forget about it. It is not that they do not want to renew. It is just that they are busy, and they need to get around to it.

- **Undecided** – For people in this group the, membership has not lived up to expectation. While this should have been addressed during the new-member integration process, an effective renewal process can correct misperceptions and encourage them to renew (with different expectations). They have thought about their membership and are not sure whether they want to renew. Generally, you will not pick them up on the first renewal notice. If you only send out one notice, they will most likely not renew.

- **Actively dissatisfied** – People in this group have had bad customer service or other negative experiences with the union. It is more than just a lack of living up to expectations. You are likely to be aware of the people who fall into this group. In a good renewal process, these people should be flagged for special attention before renewal time. Otherwise, you might not just lose them – you might also gain someone who is actively discouraging others from joining!

You need to have strategies in place that will increase your chances of having people from the groups above renew.

And if they do not renew? If they are still a valid prospect, they should go back into the prospect relationship management system - with a special tag to show they have previously been a member.

7.1.4. Managing unfinancial members

The single largest period of losses year-on-year typically occurs around an annual billing cycle. A large portion of members who directly pay annual invoices fail to pay on time, becoming unfinancial. In addition, many members on period payments fail to pay each period - credit cards may have expired. Finally, some members resign. Unions then have a limited period before they are required to terminate the membership.

A key part of the retention goal is to ensure that this key risk period for membership loss is addressed as a priority, and that unions have processes in place to address this risk proactively. Unions also need to ensure that they have an appropriately large portion of resources dedicated to these make-or-break periods.

The unfinancial processes include simplifying the subscription process to make it as easy as possible for members to pay their invoice, while also ensuring unions have a comprehensive system in place to reach those members who fail to pay on time, while tracking progress.

The easiest members to retain are those who fail to pay due to a problem with the credit card,

such as the date expiring or a problem with the bank account. In these circumstances it is essential to systematically follow up all members who fail to pay with an assumption that those members will remedy the error. The contact with the member is simply to let them know of the problem and advise them there is no difficulty fixing it.

Some unions report a success rate of more than 70%. Therefore, for every 10 members not followed up, unions are needlessly throwing away seven members.

Automation problems with credit card dates, for example, can be remedied before the problem arises.

7.1.5. Shifting members to direct debit or periodic payment models

Many unions have successfully moved members off annual payment to period payment. Periodic payment avoids a large bill and a moment where a member reconsiders membership. Unlike payroll deductions, it also removes the need to re-sign a member when they change jobs.

Given most members now pay monthly or quarterly, the lessons from the annual renewal process needs to be implemented at least monthly.

Direct debit changes the purchase decision for the member from a transaction that makes a significant hit on the wallet to something that is manageable. The ability to break the membership fee into smaller chucks has a powerful effect on retention and recruitment for this reason.

Allowing members to pay by direct debit will also have a positive effect on your retention rate as you have created a situation where people need to take action in order to not renew (such as give notice in writing that they do not wish the direct debit to continue).

7.1.6. Managing formal member resignations

When a member chooses to resign formally, it is more difficult to retain them as members.

It is however essential to follow these members up and engage them in a conversation for the purpose of learning - why did they join in the first place; which of the following services have they used; if they have not used the services because those services were not presented adequately; why not give membership another go.

For unions with member savings such as Member Advantage, the member can be engaged around the real cost. Would the member resign if the fees effectively cost nothing? How much does the member spend a year on groceries, petrol and alcohol? Given a 5% discount is available on these items, that represents a saving greater than the after-tax union fees. The discussion about the important union campaigns and services can then be held in the context of an effective no-cost environment.

Unions using these techniques are retaining more than 20% of resigning members.

Success dramatically improves if the contact with the resigning member is soon after the decision. It is essential those staff are trained to handle the call immediately. These staff need to be provided with training, tools, scripts, and the flexibility to provide incentives to retain members on the brink of resignation.

7.1.7. At-risk member strategy

As unions expand their data collection and analysis processes, they will begin to develop a better understanding of the profile of an at-risk member. A key part of addressing retention is ensuring unions are proactive in turning at-risk members into engaged members as soon as practical.

This process is contingent on detailed engagement tracking, engagement scoring, and measuring the retention impact of a range of services and membership characteristics. It is crucial for the retention program that unions develop the ability to recognise an at-risk member early, and perceptively address this risk.

7.1.8. Reactivating past members

With 50% of non-renewals due to reasons that are unrelated to their membership, past members are excellent prospects with only a simple pitch required.

Past members do not need to know about the history of the union or what you do. All a resigned member needs to know is what has changed since they were members. It is a simple message that you just need to target correctly.

Marketing to former members is so successful that it should be planned. Consider adding in a process six to eight months after the member has resigned where they receive a "We want you back" campaign.

Note that these campaigns will only be successful if the members' benefits were discontinued at the point (or shortly after) their membership lapsed.

7.1.9. Use outbound call centre assistance to personalise the member experience

Most unions have implemented outbound call centres as an essential front-line tool to support member retention. The staff in calls centres are often responsible for retaining direct debit drop-offs, unfinancial members, resignation calls, union welcome calls, and other direct contact with members.

The importance of the call centre dictates that unions should strengthen and support staff in this area, ensuring there is adequate staffing to handle the bulk of the ongoing monthly work, in addition to a base level of ad hoc campaigns calls.

This work will be enhanced if call centre staff have access to information about on a member's interests and recent activity. Increasingly these staff should be supported by modern technology where they can quickly understand the persona of the person they are dealing with and see their engagement. Rather than randomly contacting members, call centre contact should be built into the digital

member and non-member journeys, including on-boarding of new members and the follow-up of warm potential members who have engaged digitally with the union previously.

7.1.10. Service members efficiently

Representation at a workplace and at individual level remains at the core of what unions do. Research shows these services (workplace advice and support, and industrial representation) are consistently rated as both the most important and highest quality services unions offer.

They are also regularly listed as the two most compelling reasons to join as a member. As such, key to unions is delivering these high-value, high-impact services to members effectively and efficiently.

Given the resource-intensive nature of these services, some unions, who provide alternative membership packages, are limiting representation for lower-paying members. Some members may only have access to phone advice.

By limiting availability for those members who have selected lower tier memberships, unions ensure that the highest value services are going to those who fund their cost, and unions provide an incentive for lower tier members to consider shifting to full membership.

With 50% of non-renewals due to reasons that are unrelated to their membership, past members are excellent prospects with only a simple pitch required.

Many unions have introduced centralised member service centres to improve the services provided and to enable more efficient and timely servicing of members. Some unions achieve a 90% clearance rate and provide additional services such as contract reviews.

7.2. Target recruitment to maximise the return on your efforts

Growth within the union movement has been elusive in recent years. Wider trends towards privatisation, offshoring, job cuts, and outsourcing have all played a role in the decline.

While the environment is undoubtedly difficult, unions need to ensure that they develop strategies to build their membership, both in core areas and new areas.

Growth will require traditional organising predominantly around collective grievances and bargaining, enhanced by providing the context of an industry narrative and game plan and industrial strategy. Greater success will be achieved by using the package of member benefits and new digital techniques, including online organising. Growth in collective areas will rely on the identification and development of workplace leaders or delegates.

Unions also need to ensure they avoid the tendency to see union membership as entirely different from other consumer transactions. Ultimately, unions are providing a service for members that requires the payment of ongoing fees. There are many other costs in life competing for members' hard-earned money. Growth will only come if unions are able to effectively compete in this area and adopt modern marketing techniques to encourage members to choose union membership.

Unions must optimise the following areas to achieve sustainable success:

7.2.1. Identifying prospective members

The more leads you have coming into the union means more opportunities to gain new members. To maximise this process, you need to have strategies in place to:

- **Generate fresh leads** - Techniques to generate leads include:
  › reverse marketing or content marketing where information or guides can be provided on receipt of the person's details
  › online campaigning and petitions
  › workplace mapping
  › online surveys
  › building from old lists such as former members
  › webinars

- **Capture incoming leads** - At every point where a prospective member encounters the union there should be a mechanism for capturing that lead. This includes processes for recording telephone enquiries, capturing online registrations via the website and campaign activity.

- **Qualify incoming leads** - A smaller database of solid prospects is better to have than a large database of names and addresses who are not viable prospects. It is important to qualify incoming leads to ensure your future marketing communications only go out to valid prospects.

- **Classify incoming leads** - To make future marketing messages as tailored, and therefore as effective, as possible, all incoming leads should be classified with the source of the lead recorded. Classifications should represent target segments within your membership. Classifying prospects will make future recruitment campaigns easier to target and deliver.

7.2.2. Building a relationship with prospective members

When you get large numbers of leads it is unlikely that you have the resources to follow up each one. A prospect relationship management process is designed to keep the leads you have obtained active and "warm". You can tap into those warm leads with targeted marketing campaigns as you have the resources available.

A good prospect relationship management process is designed to keep your union in front of your prospects' eyes at least once every three months – and ideally once a month. This process should be documented and assiduously maintained to enhance the prospects' trust in your union. A good prospect relationship management process should:

- Encourage prospective members to join.
- Maintain contact with prospective members.
- Create opportunities where prospects can interact with you.
- Encourage prospects to think positively about your union.
- Build trust with prospective members.

The prospect relationship management process can be as subtle as an article that mentions your union, placed in a newspaper or as overt as a direct mail piece. Whereas, the sales process is the personal way in which the union interacts with members, both to get them on board and as they come on board.

There are two types of leads that you will deal with – databases and individual leads:

- **Individual leads** – Where a single lead comes in, such as incoming calls and people you meet.
- **Database leads** – Where you have picked up many leads, for example, in an online petition signed by potential members.

An effective prospect relationship management process is characterised by:

- **Multiple channel options** – Demonstrate that your union is open and welcoming via any channel the prospect chooses to use. Be accessible via telephone, email, website in person or via social media.
- **Targeting** – Segment communications so your communications reflect each group's needs.
- **Multiple engagement options** – Engaged prospects are more likely to remember you. Engagement ideas include checklists, quizzes and surveys.

7.2.3. Converting prospective members into financial members

The membership sales process is the process of converting a prospect into a member. It includes when an organiser makes outbound calls into the prospect pool, or when a prospect has called into the union for more information or in response to a direct mail or email offer.

When this contact is made, the leads should enter a formal follow-up (sales) process which will generally involve regular contact being maintained with the prospect until they have either joined or deferred joining. If they defer joining for a set period, they should be flagged for follow-up at the end of that period.

If the staff member cannot convert the lead into a membership, then that prospect should go into your prospect relationship management process with the view that, through further building of that relationship, the prospect will join later. With a good prospect relationship management process in place, your membership person will always have a pool of warm leads to draw from for membership campaigns.

There are two types of recruitment activity:

- **Passive member recruitment** – Long-term initiatives put in place to generate an ongoing baseline of membership, for example an engaging recruitment section on your website.
- **Active member recruitment** – Active member recruitment campaigns are short, medium- and long-term programs where you actively encourage people to join. You may undertake a marketing campaign to a lapsed member database to reactivate those members who might re-join.

This process is much more effective and efficient with the assistance of marketing automation software integrated with a modern CRM system.

7.2.4. Deepening your penetration into your core area

The core membership base of a union should be kept as a priority to avoid scope creep (unless that is an intention).

Unions should develop growth strategies for all core areas. Some of these will be higher profile and more resource-intensive than others. Unions need to also employ new techniques and processes in traditional areas. The basics do not change but organising can be turbo-charged with the use of digital innovation.

Growth will rely on effective organising built around campaigns which talk about the important issues for members. These campaigns will be in priority workplaces but ideally fit under the umbrella of a comprehensive industry or sector campaign. Trained and motivated workplace and industry leaders will be essential to success. Digital techniques need to be incorporated to make traditional work more effective.

Effective, trained and supported field staff will be essential to success.

7.2.5. Diversification into new areas

Maintaining membership only in areas where unions have a strong base of members is unlikely to drive significant growth. Restructures and redundancies continue to characterise many traditional groups, while larger growth can stem from new areas. Less labour-intensive models are needed to organise potential members in new areas.

Modern approaches to building members in new areas will encompass:

- affordable membership packages
- service diversification
- addressing key needs of the potential membership
- low cost list building
- digital marketing
- automated member and non-member journeys
- a focused brand
- an industry narrative and game plan.

All efforts should start with research into what workers need and want and an understanding of the industry issues.

7.2.6. Students

Some unions can identify courses where many of the workers in the areas of coverage are educated.

Implementing a student recruitment program can be an outstanding way to increase membership at low cost. For example, Professionals Australia signs up about one-third of its new members each year through a student program. The students pay $48 a year and are automatically converted to membership in the year they enter the workforce. This generates the equivalent of nearly 700 full-fee equivalent members each year.

Digital techniques provide the opportunity to reduce the cost of recruitment, retention and conversion of student members.

7.2.7. Digital marketing is an essential element of any membership campaigning

Growth through digital methods must be an essential part of a union growth strategy. With so many segments of potential membership requiring targeted messaging, unions simply do not have the resources to handle growth in any other way.

After understanding the industry and the contemporary aspirations, needs and wants of the workers, list building is the first step in this process, before a range of different means of digital marketing are employed to take potential members along the path to membership.

Digital strategies also feed into and enable many of the other goals within this plan, including growth, retention and engagement strategies.

8. Additional Information
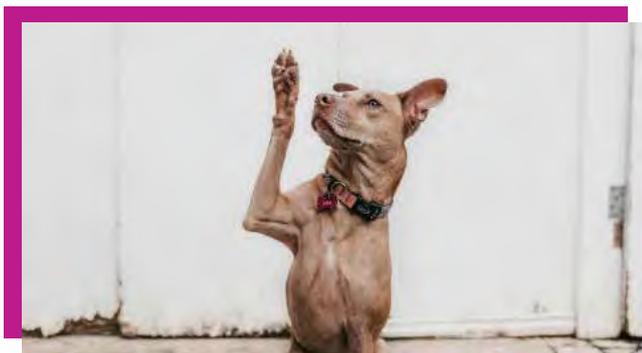
8.1. Frequently Asked Questions

Following are questions we have been asked frequently in relation to this paper. If you would like any additional information, of have any other questions, please feel free to contact the authors.

8.1.1. Is this compatible with organising?

Many potential members will join because of the package of services which meets their needs, at a cost they can afford and believe is valuable.

It is then essential unions work to move members' collective consciousness by engaging members in relevant campaigns and activities and by generating activists.

Sometimes unions move straight to organising with a strong enough issue and then ensure members understand the individual benefits, to improve retention.

Overall, to succeed, unions will need to provide member benefits which create a proposition that warrants the potential member joining.

Organising and bargaining are a key member benefit.

This is hardly a new concept given most current members join because they may face a work issue.

The unions that are growing significantly seem to do both -provide a relevant package of services while organising and campaigning.

8.1.2. Isn't this moving away from why we exist?

Unions must continue to organise. It is difficult to achieve results with declining membership.

Given union membership is less than 15%, and less than 9% in the private sector, unions must innovate. More of the same will not achieve the results.

It is essential that the innovation required to increase relevance to members is not seen as an alternative to or a threat to the fundamentals of organising. Unions should continue to grow through bottom-up organising.

The basics do not change but unions need to face up to changes, use new tools and embrace digital innovation to achieve significant growth.

8.1.3. Won't we cannibalise existing members?

It is important that initiatives in this paper, such as alternate membership models, lead to an increase in membership.

Unions must trial new initiatives to enable them to expand. The experience of those who have trailed special offers at new members is that, when supported by good technology, offers can be targeted specifically to new members. Consumers are accustomed to special offers being available to new customers only and there is rarely pushback from existing members.

Everyone benefits by having more members involved. Pilot programs in new areas will show what can be achieved.

8.1.4. Are you saying we need to change everything we do?

Innovation is about trailing new things and improving what unions do. The basics do not change.

By facing up to the needs and expectations of workers unions can ensure they are more effective. What counts is being able to empower workers and make a difference. It is up to unions to ensure they are structuring themselves to deliver that outcome effectively – and change those structures when they lose their effectiveness. If they do not, then workers and our society will be worse off.

8.1.5. Where do we start these changes?

We hope you will use this paper to generate discussion within your union which leads to more effective and larger unions.

Success will come from a culture of having a go and a commitment to meet workers where they are at, and not expecting them to fit us.

With leadership and determination to face up to the changes required we are confident workers and the country will continue to benefit from unions.

8.2. More Information

If you want to implement the suggestions provided in this paper, the following resources may assist.

8.2.1. ACTU Behavioural Insights Unit

The ACTU Behavioural Insights Unit (ABIU) has recently been established to assist unions to use best practice when exploring, designing, implementing and evaluating growth projects. The vision of the unit is for a union movement with an ingrained culture of evidence-based and behaviourally informed experimentation. The ABIU team can assist unions with advice on how to structure growth projects so they can best understand the problem they face, or behaviour they want to change, design effective experiments to test ideas, and determine whether or not they have worked.

If you think ABIU may be able to assist you, please contact Dr Kristy Jones at kjones@actu.org.au.

8.2.2. ACTU Futures Network

The Futures Network has been established by the ACTU to facilitate collaboration and exchange of ideas and learning among unions in relation to innovation and growth.

The Futures Network:

- Fosters and facilitates collaboration and the learning of new techniques to increase membership, focusing on failing and learning fast in the pursuit of growth.
- Encourages the application of a suitable methodology and reporting on projects so the right lessons are learned.
- Brings together innovations from across the movement to ensure the pollenisation of best practice and learning.

The Futures Network distributes a regular email newsletter on growth, innovation and the work of unions who are part of the Futures Network. You can subscribe to this newsletter here: www.unionfutures.org.au

8.2.3. Strategic Membership Solutions

Strategic Membership Solutions (SMS) specialises in strategy, sponsorship and membership support for associations and unions. SMS assistance is tailored to your needs and budget with a focus on insightful ideas and practical, workable solutions. Our team can assist with anything from a couple of hours of discussions to working with you on longer-term projects. Please contact us for an obligation-free discussion about how we can assist you.

www.smsonline.net.au
info@smsonline.net.au

8.2.4. The Australian Trade Union Institute

The Australian Trade Union Institute is the centre for providing education, collaboration and research for Australian unions. It is focused on providing cutting-edge training and education, undertaking research that furthers the interest of workers.

Powered by the ACTU, the Australian Trade Union Institute gives union members and officials the opportunity take part in workshops and training. In addition, the institute also acts as a network for sharing ideas and strategies between unions.

www.atui.org.au

8.2.5. Union Innovation Hub

The Hub is a group of self-selected unions embarking on a journey of digital innovation, with the use of the best software, supported by experts in the field. It is a stand-alone entity supported by the ACTU, which fast-tracks innovation through:

- Supporting union leaders and staff involved in the digital change process through collaboration, exchange, sharing, help, training and mentoring.
- Reducing the cost and fast-tracking progress to digital innovation critical to improve retention, recruitment and campaigning.
- Reducing the cost of developing new services and initiatives through avoiding duplication of projects, information exchange and collective purchasing.

www.actu.org.au/innovationshub
info@uhub.org.au
Chris Walton CEO M: 0417368552

ACTU *institute*

sms*