



# Blueprint for Starting Business Networks:

*A Strategy for Rural  
Community Economic Vitality*

## Recruitment of Members

### Module IV



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# Recruitment of Members

## Objectives

- ◆ Determining membership eligibility.
- ◆ Explain different methods for identification of potential members.
- ◆ Identify mechanisms to get potential members involved in the organization.
- ◆ Discuss how to make new members feel welcome.

## Introduction

**B**uilding an effective recruitment program is one of the most vital processes for a new network to undertake. Recruiting new members can aid in the creation of a membership base that will allow the group to undertake a larger variety of activities. Recruitment can bring in new members and reinvigorate the group (Cowan 1995). But in order for recruitment to have these benefits, it is necessary for the network to carefully define membership eligibility. Once eligibility is determined it is then possible to identify prospective members and attempt to get them involved in the network. Finally, once new members are introduced into the network, it is necessary to make them feel welcome to increase the likelihood that these members will stay.

## Membership Eligibility

**O**ne of the most important steps in recruitment of members is to know what type of members you want to recruit (Child and Faulkner 1998).

Having an idea of the type of people you want as members will make the whole processes of recruitment easier. Thus, it is important to develop clear

**We refer to networks as formal organizations of businesses one of whose goals is facilitating business success.**

criteria for membership that outlines what type of individuals will both benefit from and be a benefit to the network.

### *Criteria for Membership*

**T**he first step in recruitment is to determine who is eligible for membership by deciding the criteria for membership (Catalyst 1999). There are many possible criterion for membership such as: gender (as in women business networks); ethnicity or race of the entrepreneur; type of business the entrepreneur has; and even simply the physical location of the business (such as in a Main Street renovation network). In order to come to a decision about what these criterions should be,

the catalysts and core members need to decide two things: (1) the purpose of the network, and (2) whether the network should have an inclusive or exclusive membership base.

### *Purpose of the Network*

A clear and precise statement of the network's purpose accomplishes several things. First, it makes it clear the type of individuals who would benefit from network membership. As discussed in Module II, one of the most important aspects to a network is the commitment of members to the goals and purpose of the members. If the network has a clear idea of what the purpose of the network is, the network members can focus on recruiting individuals who can benefit from that purpose and enhance goal achievement (Etcheverry 1997).

A second benefit is that having a statement of the network's purpose can minimize the apprehension of potential members. Ambiguity about the pur-



pose of the organization may discourage potential members from joining the group as it may not be clear how their time and financial commitment to the group can help them. One of the direc-

tors in the four state study of business networks (for more details on this study see Appendix IA) illustrated this with the comment that catalysts and core members should:

*“Make sure that in the beginning the goals are clear and the people involved realize the amount of time they are going have to put into [the network] and the resources they have to work with.”*

### *Inclusive or Exclusive Membership Base*

After identifying the purpose of the network, it is important to come to a decision about how inclusive or exclusive the network membership base should be. Inclusive membership, or having very few limiting criterion for network membership, is beneficial for several reasons. First, a wide membership base increases the number of sources the network has for information (Singh 2000). This is also an advantage for the individual members. Each additional person brings with him or herself unique information. The more varied the background of the individuals involved, the more unique information that will be available for the network and for the members to draw upon in making decisions and developing plans. Second, larger networks have more resources to draw upon. Examples of these resources include: an increase number of potential leaders; a larger pool of voluntary hours; and a greater amount of money drawn from dues.

At the same time, however, inclusive membership requires a larger draw on this pool of resources. This is because there will be a wider variety of interests and therefore the network will have to have a wider range of activities to meet these interests (Catalyst 1999). Furthermore, it will be more difficult for a larger network to develop trust among members as it will be more difficult for members to get to know the other network members. This difficulty is further indicated by the difficulty of keeping all members connected to one another (Catalyst 1999). Exclusive criterion for members, or having a limiting criterion for network membership eligibility, is beneficial in that it avoids the pitfalls of inclusive networks. Exclusive networks will have a smaller number of members all committed to a few goals, and as these groups tend to develop based on pre-existing needs (Women's Business Network 2002), commitment and trust should be easier to achieve. Furthermore, smaller networks enable more focus to be directed towards each individual group member. Networks can act as "sounding boards" for the ideas of entrepreneurs (Singh 2000) and personal attention for each entrepreneur may increase this occurrence. At the same time, smaller networks have less unique information to draw upon and have a more limited resource base.

Because exclusive membership base makes commitment easier to achieve, experts frequently recommend that business networks should start small

and then build to more inclusive membership (National Commission on Entrepreneurship 2001). It is important to realize the benefits and drawbacks of both types of networks before deciding how your membership base should be formed. What it really comes down to is forming eligibility requirements that will create a practice of selecting members who will benefit the network and also be benefited by the network—in terms of the predefined purpose of the network.

### **Identification of Potential Members**

Once the eligibility criterion is created, it is necessary to identify possible members to target for recruitment. There are several ways to identify possible members. Two of the most basic methods are to rely on word of mouth and to have original members invite someone to network meetings (Women's Business Network 2002). Each group meeting and network activity should allow and encourage recruitment. To make these efforts worthwhile, it is necessary to get and keep contact information for everyone that expresses interest in the network that also meets eligibility requirements. A good way of doing this is to assign one network member to keep a computerized list of contact information for current and prospective members (Cowan 1995).

While identifying potential group members, it is important to keep an eye

out for network champions (Women's Business Network 2002). These are network members who will be highly committed to the network. Furthermore, these are individuals who, by their personal nature, act to energize the organization (Cross, Baker and Parker 2003). Individuals who are



more likely to become highly committed, are compelled by the vision of the organization, and are more likely to socialize

or interact with other group members are more likely to become energizers for the network. Thus it is a good idea to select people based not only on meeting the eligibility requirements, but also pursuing members who show an ability to build strong relationships (Child and Faulkner 1998). When asked about what a network should do to develop a membership base, a director of a Minnesota network explained:

**"I** think the key would be to get your [energizers]. Your key people need to be good people that are going to benefit from being involved and see the benefit and put in the time necessary to build a strong organization."

## Getting Potential Members Involved

Once you identify potential members, the next step in recruitment is to get these members involved in the network. Etcheverry (1997) gives several possible steps to encourage these potential members to join the network:

- ◆ Send out newsletters. This will let the potential members see what is going on and form an idea of how the network could help them.
- ◆ Provide incentives to join. Possible examples include free advertisement in the newsletter for a predetermined amount of time (six months or a year) or free dues for their first year of membership.
- ◆ Send out a fact sheet. This fact sheet should outline the benefits of network membership. This can also include a description of larger issues that effect potential members business (such as legislation) that the network is addressing (such as lobbying or grassroots activities).

Show them personal attention. The most important way to get potential members involved is to show them personal attention. To the extent possible your network should send personalized letters indicating how belong to the network can benefit the specific potential member and his or her business. The more personal attention a potential member receives, the more likely it is

that he or she will join.

All of these methods should help the network emphasize how the network will benefit the potential member. The director of a tourism group agrees with the importance of this emphasis:

*“I do think they need to make sure that they show their value of their membership to those that they are trying to get to come. That’s a lot of money for small businesses to put out, and they really do need to see the value of the dollar.”*

## Welcoming a Member into the Network

It is much less time consuming and costly to keep members who already belong to the network in the network than it is to recruit new ones to replace old members (Women’s Business Network 2002). Because of this, it is important to make sure that new members come to feel like a welcomed addition to the organization. One way to do this is to assign mentors to new members. These mentors should be veteran members who can introduce the new members to the practices of the network and make sure the new members know all the ins and outs of the network.

Another good idea is to have an orientation packet (Etcheverry 1997). This packet should include past newsletters, any formal statements of the network rules (see Module VI), and any other

past literature the network has made for either recruitment or activity purposes. It also may be a good idea to include a section in the newsletter to introduce new members to the rest of the network.

Finally, there are both financial and resource costs to network membership. The financial cost of belonging to a network may be difficult or even prohibitive for some business owners, especially those just starting in business (Women’s Business Network 2002). If it is difficult for new members to pay these dues, they may feel unwelcome in the organization. To deal with this issue, the network should carefully consider what to set the dues at and to allow dues to be flexible (Etcheverry 1997).

Membership also incurs a time resource cost. New business owners may not have much time to lend to attending meetings. To reduce this cost it is very important to make sure the time spent in meetings is productive which will show these members that the time cost is worthwhile. In order to achieve this, agendas should be made and followed closely. Also, it is important to make sure that the scheduled time of the meetings is convenient for members to further encourage attendance. A Hispanic business network was having



difficulty in getting its members to attend its night time meetings. In response to this, the meeting time was changed to a breakfast meeting at a local Hispanic restaurant. This time change resulted in a large growth in the number of members attending the meetings as they were able to come to meetings while their businesses were closed.

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