

Case Study 5.2

GreenCity Wholefoods

GreenCity Wholefoods is a non-exploitative workplace that takes into consideration the interests of workers, the community and the environment as a whole.

GreenCity Wholefoods Mission Statement

GreenCity Wholefoods was established on 6 June 1978 by four founding members along with three additional persons (at the time, IPS law required that seven people were needed to establish a worker co-operative). Like many nascent businesses, the company progressed slowly, experiencing difficulties along the way (mainly capital related), but established itself as a profitable and ethical company. Today, the business generates over £4m in revenue and has thirty-three members. From its humble beginnings operating out of a small flat in Hamilton to its current commercial success, the company has retained and improved an equitable and co-operative system of governance, management and membership development.

Governance

GreenCity is jointly owned and democratically controlled by its members and therefore operates a system of governance based on one member/one vote. Like most worker-co-operatives, GreenCity has a blended approach to decision-making; direct democracy (where every member is required to vote on a decision) is only called upon to deal with issues relating to company policy or membership, while a system of representative democracy (where the members elect a management committee to make decisions on its behalf) is in place to deal with the majority of strategic and operational business issues. Any decision taken, whether at a monthly meeting or the AGM, needs an eighty per cent majority for it to be approved.

Management

The company operates a flat management structure (the norm in most businesses is a hierarchical management structure), where individual members are elected to a management committee to oversee the strategic operations of the business. The persons serving on the management committee are drawn from each of the functional areas, ensuring fair representation.

At an operational level, Green City is organised by functional area: accounts, sales, purchasing, manufacturing, warehousing and transport. Each of these departments operates largely autonomously (e.g. have their own meetings and targets) and decisions relating to day-to-day operations are entrusted to each department.



Membership

A committed and homogenous membership is a critical for the success of a worker co-operative. In GreenCity, every member is entitled to the same pay and benefits, a practice that is common in worker co-operatives with a flat management structure. The company has a six month probationary period for new workers before offering them full membership, to ensure that the person is right for the business and vice versa. The Personnel and Training department plays an important role in the company; it encourages members to get involved in areas of the business outside of their specialty and facilitates this process.

The company believes strongly in the importance of sharing information with every member. This not only ensures that members are kept up-to-date with developments in the business, but helps to generate high levels of member commitment. Some examples of this policy include ensuring every member is literate in financial matters (so they can participate effectively at the AGM), and disseminating company developments through a digital notice board to which every member can contribute.

