

# Co-operative Home Care. Why a public service mutual approach?

Co-operative Home Care (CHC) is a public service mutual (co-operative)<sup>A</sup> and an example of how the entrepreneurial spirit of a small group of like-minded people can establish a new way of providing individualised, affordable, and quality care in a supportive and empowering work environment.

In CHC's innovative model of home care service delivery, care workers are both CHC employees and owners. In an industry prone to lower pay, poorer working conditions and higher staff turnover, CHC aims to provide a unique working environment where worker members are directly involved in the business. Workers co-operatively make decisions on issues that affect them such as salary, work schedules, client care programs and training. The profits are reinvested in the business to improve systems, conditions, or to save for future needs.

It is this worker/member engagement and reinvestment of profits that sets CHC apart from many

existing public and privately run homecare providers. By creating an empowering and autonomous work environment, CHC aims to increase worker members' job satisfaction and retention. As a result, the quality and consistency of care provided to clients improves, as well as their health, wellbeing and loyalty to CHC.

CHC offers three key lessons for others seeking to establish an employee-owned public service mutual:

1. Seek out technical expertise in the financial management and governance areas as well as industry expertise in feasibility and business planning;
2. Seek out diverse sources of capital instead of relying on government funding which tends to favour larger, more established businesses; and
3. Build trust with your members and work with them to help build their understanding of the benefits of being a co-operative.

*A Public Service Mutual or co-operative is 'an organisation which wholly or in part delivers public services through a cooperative or mutual governance structure, whereby members of the organisation are able to be involved in decision-making, and benefit from its activities, including benefits emanating from the reinvestment of surpluses!'*

In Australia we have categorised co-operatives into three main groups – consumer, producer and employee and enterprise co-operatives. Although they can also be a combination of all three.

<sup>A</sup> In the on-line version, a link will be provided to the introduction section which will provide a definition and overview of public service mutuals and the three types: consumer, producer (including employee) and enterprise owned co-operatives.