

Appendix 3

Constraints Faced by Bilateral Business Associations

To survive as an organization and increase its annual revenue each association must:

- build its legitimacy with the business community and win their confidence;
- increase its own business opportunities and income;
- retain its existing members and recruit new ones; and
- build its capacity to provide quality services.

Legitimacy of Bilateral Business Associations

The main challenge for all associations is to maintain and expand the membership base⁷. Because members are the associations' main revenue source, the problems of maintaining membership go hand in hand with problems of maintaining income.

The challenge of holding and expanding membership is associated with at least seven facets of the organization:

- visibility;
- quality of services;
- quality of contacts;
- types of services;
- the interest of the business community as a whole in the national market targeted by the association;
- the association's reputation; and
- the confidence of the business community in the association.

The number of members is one of the first yardsticks of legitimacy of an association. However, this number has to be weighed against the importance, for Canada, of the market targeted by the association. For example, a small membership base may adequately represent a limited number of business people interested in a particular national market.

⁷ The oldest associations tend to have fewer members than do the more recently formed ones.