

# Promedical Primary

Co-Operative Limited



## COOPERATIVE BACKGROUND INFORMATION

### Cooperatives

#### *Definition:*

- A cooperative (Also known as co-operative, co-op, or coop) is an autonomous association of persons united voluntarily to meet their common economic, social and cultural needs and aspirations through a jointly-owned and democratically controlled enterprise.
- Overall, they share the benefits that result from their efforts as a group.

#### *History of cooperatives:*

- The first co-operative was founded by Rochdale Pioneers of England in 1844.
- It is said that 28 men (weaves and skilled workers in other trades) formed a cooperative society.
- Reasons are that large industries started mass production of goods that led to poor quality and low prices, and as a result entrepreneur who had previously been capable of sustainable production of high-quality goods found themselves competing with large industries that sold less expensive, poorly made products.
- In the industry for example, large scale producers added grass clippings to bulk up tea sacrificing quality for quantity.

- Production accommodated consumers' desires for cheaper plentiful goods.
- Therefore, those who were rapidly producing higher volumes could meet the demands of the shifting market.
- The other reason was that large industries relied on an unfair labour practice in order to meet production quotas.
- Employees lost control over working conditions e.g. low pay, long hours, etc...
- At some point children would work 14hrs with no break, and speed was monitored by the masters.
- small companies who could not adjust in such a manner lost out in the new market.
- The smaller producers then came together to maintain good standards and started with new forms of doing business, hence the birth of co-operatives.

### **SITUATION ANALYSIS**

- Our situation as doctors is similar to that of entrepreneurs in 1844.
- Medical doctors spend many years studying hard, thereafter spend many hours at work than any other profession.
- They are the most neglected group of people and yet are expected to perform at their best at all times.
- Medical doctors do the most complex job of maintaining normal human physiology using very complex equipment and perform very complex procedures.
- Due to high workload and long working hours medical doctors are emotionally drained and yet no one cares for them, instead they are expected to work even harder to service the sick.
- Medical doctors do not have access to capital to establish big medical facilities to help their patients and make a decent living.
- Medical doctors are the least paid professionals considering the complex work they do.

- The medical profession is unique in that the relationship between the patient and the doctors is at times a matter of life and death.
- Medical doctors are obliged to render their services in saving life irrespective of the socio-political and economic situation that prevails at the time.
- The medical profession has many selfish principals who always take every opportunity to overwork the their juniors, and has almost a militaristic approach to the training of junior Doctors.
- In private practice the situation is gloomy.
- The money contributed by patients for their health is held by medical aids, who decide which doctors to pay, when and how much.
- Most doctors are forced to go hat on hand begging for work or at least to be paid by these health funders.
- Companies and health funders have colluded and captured the medical profession by controlling money that belong to doctors and other health Professionals.
- The medical profession is a highly regulated profession such that at any given time you always face a possibility of being subjected to an investigation and subsequently a disciplinary hearing which at times can mean the end to your career.
- In the public sector its worse, doctors are monitored by junior staff( in a clinical setting where they are senior), who work under the instruction of political and health industry principals to do such thus micromanaging and silencing the voice of the usually out spoken and articulative doctors in a clinical setting.
- In spite of all these problems doctors remain fragmented and working in silos.
- Medical doctors remain oblivious to the fact that they are generally poor compared to other professions who put same number of ours and perform complex tasks like doctors.
- Doctors have enormous amount of power that no one in the world has, and yet they don't exploit it. The power that doctors have with their patients is immeasurable.
- Together doctors can dictate to any industry principal and be taken seriously as long as they are on the side of the patient and the right side of the law.
- The list of problems is endless, and each year brings new problems to doctors.

## **PRINCIPAL CONCEPTS**

- Combined members' action to solve problems.
- Shared ownership.
- Democratic control.
- Balance individuals needs of members with that of the community.
- Promote material conditions and well-being of members.
- One man one vote and the majority rules.

## **CO-OPERATIVES IN OTHER COUNTRIES**

- List coops in Canada etc + statistics-read

## **WHO CAN JOIN OUR CO-OPERATIVE?**

- A medical doctor or a dentist in good standing.
- Pharmacists in good standing.
- Allied health workers in good standing.
- Nurses in good standing.
- Anyone recommended by the above in good standing, fit and proper.
- Members of Cosaco

## **VISION**

- To create wealth for members of the co-operative.
- To provide good quality products and services to members of the co-operative.

- To provide access to capital for members and the community we serve or live in.
- To empower the members and community, we serve and/or live in.

## **MISSION**

- To engage in robust business opportunities.
- To use our buying and bargaining power to negotiate good prices on quality products.
- To provide members with access to funding at low interest rates.
- To educate and provide good quality products and services to members and communities we serve and/or live in.

## **STRATEGIC OBJECTIVES**

- To work closely with all spheres of government and the corporate in doing business.
- To work closely with the people in the townships and rural areas in all spheres of life.
- To network with various local and international organisations that share the same vision with Promedical Primary Co-operative.
- To soon convert Promedical primary cooperative into a cooperative bank

## **PROMEDICAL PRODUCTS AND SERVICES**

- Access to capital.  
Co-operative members can borrow money from the co-operative at a far lower interest rate as compared to commercial banks and other financial institutions.
- Wealth creation.  
Promedical creates wealth for members that gets shared among the members proportioned to each member's investment in the co-operative.
- Business and entrepreneurship development.

The co-operative sources business opportunities for its members and trains its members in various business aspects to ensure success in all business ventures.

- Networking and exchange of value.  
Co-operative members share ideas and exchange value among themselves. They procure products and services among themselves and make sure money stay within or circulates many times before it exits the co-operative.
- Ownership of the means of production and property.  
The power of numbers in the co-operative makes the co-operative able to own the means of production, acquire property and finally be the major player in the mainstream economy.
- Legacy for future generations.  
The wealth you have in the co-operative can be transferred to your person of choice. Your children and grandchildren may benefit from your investment and hard work via the co-operative.

## **WHAT A CO-OPERATIVE BANK *will* DO**

- The co-operative will leverage on the the reserve bank.
- Members can deposit and withdraw money from the co-operative bank.
- Members can borrow money from the co-operative bank at low interest rates.
- The co-operative bank can develop and register other financial products such as insurance for members e.g. property insurance, vehicle insurance, life insurance and indemnity insurance for doctors just to mention a few.
- The co-operative bank can centralise all claims, payments, bookkeeping/accounting and collective systems for its members, thus taking the burden of such from its members.
- The co-operative bank can also list in the stock market and raise billions to fund its projects.
- The co-operative bank can fund the education of its members generation after generation.
- The co-operative bank can uplift its members to compete toe to toe with the giants of any industry.

- The co-operative bank can produce the best business leaders ever through its leadership development and programmes in partnership with DTI and the commercial banks.

## **WHAT PROMEDICAL DOES WITH YOUR MONEY**

- The joining fee is R6100.00 or more once off or R460 monthly.

### **ONCE OFF OPTION**

- R6 100 buys a member 5500 ordinary shares immediately in line with the co-operative constitution and the act.
- R500 commission to the Promedical agent.
- R100 administration fee.

### **MONTHLY OPTION**

- R460.00 per month buys a member monthly 314 ordinary shares in line with the cooperative constitution and the act.
- R46 commission to the Promedical representative.
- R100 administration fee.

## **HOW DOES PROMEDICAL ACCOUNT TO MEMBERS**

- Once a month the Promedical leadership will present to the members the financial statements of the co-operative.
- Twice in a financial year the Promedical leadership will present financial statements and the balance sheet to the members. The last presentation should be before the AGM.
- Annual general meeting shall be held without fail.

- The co-operatives are regulated by DTI and under a direct scrutiny by the Minister of co-operatives and small businesses.
- The DTI and the minister of Co-operatives and small business shall always be invited to Promedical AGM without fail.

## **CONCLUSION**

- The problems facing doctors are by and large financial in nature and access to capital being the major one.
- Doctors need to control money in the health sector including how it flows to their benefit and benefit of their patients.
- To achieve these, doctors need to cooperative with each other and with other healthcare Professionals, hence the formation of Promedical primary cooperative.
- Promedical is different from any currently existing structures that doctors and other health Professionals have belonged to in the past, in that Promedical is profit driven with a strong social component and is owned by its members.
- This structure will make its members the biggest economic players in the country.
- All medical doctors/dentists,Nurses,Pharmacists and allied health workers are therefore encouraged to join Promedical primary cooperative.
- In due course Promedical primary cooperative will upgrade to a cooperative bank where doctors can deposit and withdraw and have access to capital to fund any project.