

Cooperative Governance and Board Leadership

National Home Care Co-op Conference - 2023



Introductions

Group Exercise

- **Introduce Yourself**

(Name, pronouns, where are you from?)

- **Appoint a Scribe**

(Takes notes during small group exercise)

- **Appoint a Spokesperson**

(Reports back to the larger group)

What is Governance?

Governance refers to how a co-op is **controlled** and how **decisions** are made.

Governance includes the responsibility of oversight

- oversight of the **financial health** of the co-op
- oversight of the **management performance**
 - oversight of **adherence to policy**

Decision Making

Method

Voting – Your bylaws may dictate

Consensus – Formal consensus or consent

Sociocracy – Setting up “circles” of responsibility

Practice

What decisions are made by Members/Board/Manager?

What training does the co-op provide in decision making?

How does the co-op ensure transparency?

Communication

How are decisions recorded?

How are decisions communicated to co-op members?

Workplace Democracy

Democratic values **put into action** in the workplace!!

One Person, One Vote
Equality and Fair Treatment
Participatory Decision Making
Transparency



DEMOCRACY

What does a member need to participate in workplace democracy?

- Access to **information**
- Understanding of the co-op's **decision-making process**
- Culture of open **communication and effective communication systems**



Putting Democracy into ACTION

GROUP EXERCISE

5-minute brainstorm: Going around the table each person contributes an idea to the list. If you have nothing to add you can say “pass.” Keep going until you run out of ideas to add, or time is up.

Time is up – Count how many ideas you have!

The group with the most will have their **spokesperson** read list out loud. Other groups mark off similar ideas and then read out loud any left over that have not been said.

Ideas from all groups will be compiled and shared with you after the conference!

Co-op Board of Directors



- ✓ Elected from the Membership
- ✓ Serve as representatives of the Members
- ✓ Board speaks with one voice
- ✓ Democratic Governance

Board Fiduciary Duties



Duty of Care

Board members must make informed, sound business decisions and carry out the responsibility of due diligence.



Duty of Loyalty

Board members must make decisions in the best interest of the co-op and the membership over personal interest. All conflicts of interest must be declared.



Duty of Obedience

Board members must ensure that the co-op comply with all federal, state and local laws and all the policies of the cooperative.

Board Officers



President/Vice President – Provide leadership, oversee all aspects of Board meetings, appoints committees, VP fulfills all duties in the President's absence



Secretary – Responsible for meeting minutes and all co-op notices of meetings



Treasurer – Oversees co-op's finances and audit



Member-at-Large – All regular board duties and assist as needed

Work of the Board



Oversight

- Financial health of the co-op
 - Review monthly financial statements
 - Performance and evaluation of the co-op manager
- Co-op adheres to all applicable laws, regs and policy



Planning

- Setting a strategic and long-term plan for the co-op
 - Goal setting
- Board elections
 - Budget



Development

- Develop the Board by ensuring annual Board and Governance training
- Develop strong systems for meeting procedures, notices, minutes, etc.
- Develop governance policies for the co-op

Areas of Responsibility

Board

Governance:

How a co-op is **controlled** and how **decisions** are made

- Sets Expectations
- Delegates Authority
- Checks on Results

Examples: *Membership Policies, Compensation decisions, Strategic Direction*

Administrator

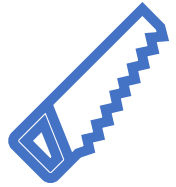
Management:

Overseeing the **day-to-day operations** of the co-op

- Accepts Responsibility
- Operationalizes
- Reports

Examples: *Directing and evaluating staff, quality control, conducts day-to-day business.*

Tools of the Board



Governing Documents



Board Meetings



Board Committees

Strategic Planning



Board Calendar

<p style="text-align: center;"><u>January</u></p> <ul style="list-style-type: none"> ➤ Recruit Board members ➤ Board Evaluation 	<p style="text-align: center;"><u>February</u></p> <ul style="list-style-type: none"> ➤ Annual Meeting ➤ Board Election 	<p style="text-align: center;"><u>March</u></p> <ul style="list-style-type: none"> ➤ Elect Officers ➤ Board Training 	<p style="text-align: center;"><u>April</u></p>
<p style="text-align: center;"><u>May</u></p>	<p style="text-align: center;"><u>June</u></p>	<p style="text-align: center;"><u>July</u></p> <ul style="list-style-type: none"> ➤ Strategic Planning 	<p style="text-align: center;"><u>August</u></p>
<p style="text-align: center;"><u>September</u></p> <ul style="list-style-type: none"> ➤ Administrator Evaluation 	<p style="text-align: center;"><u>October</u></p> <ul style="list-style-type: none"> ➤ National Co-op Month 	<p style="text-align: center;"><u>November</u></p> <ul style="list-style-type: none"> ➤ Approve Business Plan and Budget 	<p style="text-align: center;"><u>December</u></p> <ul style="list-style-type: none"> ➤ Recruit Board members

- Bylaws indicate month of annual meeting.
- Board recruitment scheduled before annual meeting
- Board training follows election
- Is your fiscal year=calendar year?
- Strategic Planning informs the biz plan and budget

Who Decides?

Members

Board

Manager

- Who elects the Board of Directors?
- Who elects the Officers?
- Who hires Employees?
- Who decides compensation for BOD?
- Who decides governance policies?
- Who approves the yearly budget?
- Who sets compensation for manager?
- Who can change bylaws?

Governance Scenarios

GROUP EXERCISE

15 minutes: Each group receives three scenarios – group chooses 2. Discuss and record the steps you, the Board, will take regarding the scenario.

Consider:

Does this require a Board decision?

What governing documents might you refer to?

What questions would you ask and from whom?

What other information would you request and from whom?

What documentation is needed?

Who needs to be informed?

Board as Employer

Giving and Receiving Feedback

Providing Support

Setting Clear Expectations

Regular Evaluations

Process for Complaints/Conflict

Interest in Manager's growth and development



Relationship Between Board and Manager

- Professional relationship
- Trust and mutual respect
- An interest in each other's point of view
- A belief that we all have the best interest of the co-op in mind
- A shared vision and a common strategy
- A balance of influence



Board Training and Development



- On going training in Governance and Board Responsibilities from a Co-op professional
- Include Members in training
- Assess Board skills and determine weaknesses
- Observe other co-op Board meetings
- Develop co-op policies
- Develop a Board handbook

Member Engagement

- Assessing Member satisfaction
- Ensuring accessibility to information
- Encouraging participation in all co-op activities
- Member education
- Soliciting Member input
- Handling Member complaints

MEMBER



THANK YOU!



northwest
cooperative
development center