

Perpetuating a Strong Board

CBL 200 series: Mastering the Fundamentals

Provided as part of the CBLD program

www.cdsfood.coop/cblid

Components of this workshop available to registered participants:

Webinar: Tue, July 22

10-11:30am PT, 11am-12:30pm MT, 12-1:30pm CT, 1-2:30pm ET

(recorded for later use by participants)

-Resource packet

- File repository for registrants:

<https://cdsfood.centraldesktop.com/recruitingandorientingnewdirectors/av>

(note: username and password required)

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Perpetuating a Strong Board

Desired Outcomes:

- Participants understand the importance of having a plan for board perpetuation.
- Participants have access to ideas and resources for accomplishing board perpetuation plans.
- Participants know how to develop and maintain a pool of potential candidates.
- Participants know how to transition candidates into effective directors.
- Participants know how to support and orient new directors.

Perpetuating a Strong Board Outline

Part 1

- Recruiting strong candidates

Part 2

- Screening and nominating
- Elections and appointments
- Orientating new directors

PART 1

RECRUITMENT



The board's responsibility

- Represent the member-owners in ensuring appropriate organizational performance.
- Govern with an emphasis on:
 - outward vision rather than an internal preoccupation
 - encouragement of diversity in viewpoints
 - strategic leadership more than administrative detail
 - clear distinction of board and general manager roles
 - collective rather than individual decisions
 - future rather than past or present
 - pro-activity rather than reactivity
- **Ensure ongoing, effective leadership**

The characteristics of effective directors

- Dedicated to the cooperative, its member-owners, and its mission
- Have a propensity to think in terms of systems and context
- Honest, with independent judgment, courage and good faith
- Able and eager to deal with values, vision and the long term
- Able to participate assertively in discussions
- Willing to abide by board decisions and the intent of established policies
- Able to operate in a group decision-making environment, to share power in group process
- Willing to delegate areas of decision making to others and hold them accountable for results while not unduly interfering in methods

(Adapted from *Boards That Make a Difference*, 3rd ed., John Carver, Jossey-Bass, 2006)

Develop a pool of candidates (think multi-year)

- The goal is to create a large enough pool of potential candidates you can draw on for this and future elections and midyear appointments.
- Begin with a board decision/policy articulating the values about board development, including:
 - the desired qualities of board members,
 - what's important about how candidates are screened, and
 - what's important about the nomination process.
- Then you will need procedures and plans for carrying out the work.
 - These may vary from co-op to co-op and year to year.

Recruitment: What works? Examples from co-ops



Board Development Committee

- Many co-ops have a standing committee on Board Development whose work, under board guidance, includes:
 - Plan and oversee recruitment, screening, and elections.
 - Provide for orientation of new board members.
 - Plan board training and development activities.
 - Plan and oversee board evaluation.
- If it makes more sense for your co-op, this work could be done by one or more sub-committees. Sometimes the election committee is a separate committee so that directors up for re-election can still participate in other board development work.

Recruitment is a year-round effort

- Having excellent candidates results from a year-round recruitment effort. All board members should participate in soliciting prospective board candidates.
- A committee or task force comprised of directors who will not be candidates in the next election is typically assigned to focus on the task.
- Some co-ops appoint or elect co-op members to serve on the committee.

Recruitment is an active process

- Active recruitment is necessary to generate a strong pool of candidates.
 - Many directors who serve on cooperative boards say they ran for election because someone asked them personally, not because they saw an article in the newsletter or a flyer or sign in the store.
- Use these and other methods of alerting members to the opportunity to run for the board, but don't assume that these passive recruitment strategies will generate the best candidates!

Recruitment is communication

- Make sure your board is doing good work. Then tell the story of why that work is exciting, meaningful, inspiring.
- Communication with the ownership or with prospective candidates should clearly state
 - Why it matters: “I’m inspired by this work because...”
 - Board roles and responsibilities
 - Desired qualities of a board member
 - Expectations of directors
 - Details of the nomination process
- Encourage anyone who may be interested to learn more about the board and the co-op.
- Use multiple avenues of communication (newsletter, web site, posters, ...) to call for candidates and interested people.

How to find candidates

- Members who are already involved in the coop
 - High volume or frequent shoppers
 - Past participants in forums, meetings or special projects
- Staff suggestions
- Members who are:
 - Personal and professional contacts
 - Directors and staff of organizations with similar values
 - Community leaders
 - Already busy! Busy people often make good directors. They don't have time to waste on trivia and inefficiency.
- Ask for other suggestions and referrals from everyone who you contact during this process.

Contacting potential candidates

- First ask if you can send a packet with information for them to consider.
 - Don't just ask people if they want to serve on or run for the board.
- Mail packets to interested people.
- Follow up with another phone call to answer questions and ask if they are interested in continuing with the process.
- Recruit **candidates** not directors.
 - Make it clear that election to the board of directors is a process and not everyone will be successful.
 - “Now accepting applications” can lead to more qualified inquiries than “Now hiring.”

What if they don't say yes?

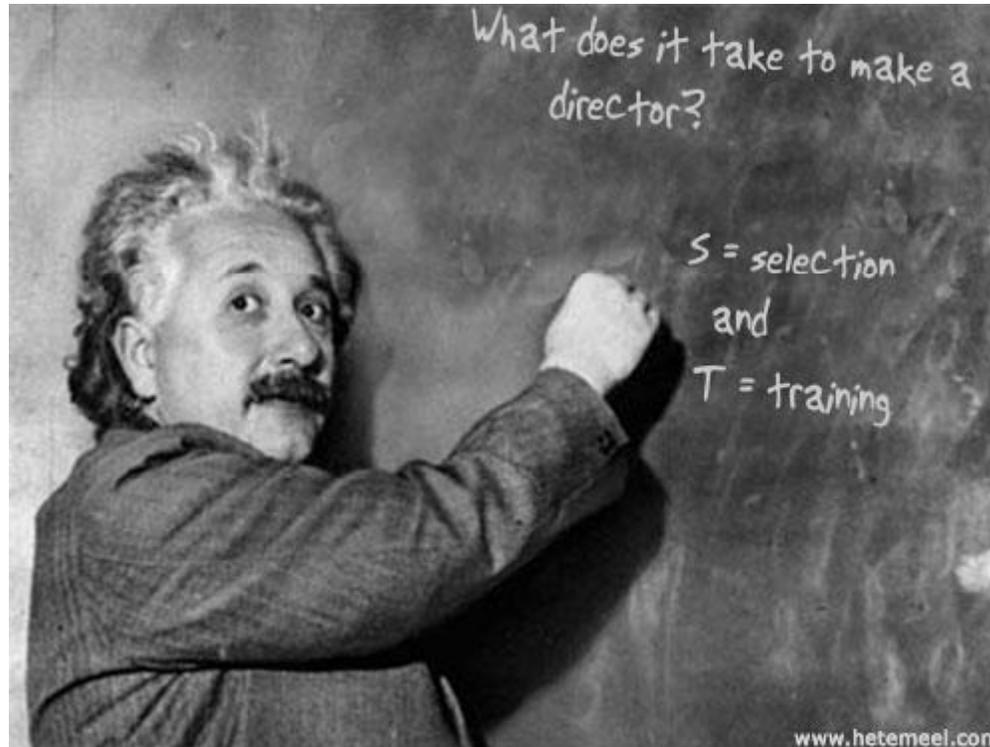
- If they say no :
 - Ask them to suggest other people to add to the list of potential candidates.
 - Ask if they might be willing to have their names on the list to be contacted in future years.
 - Ask them to participate in the election process.
- If they say maybe:
 - Engage in conversation.
 - Learn more about what would they need to know to make a decision.

Questions about recruitment?



PART 2

Transition from candidates to directors



Transition from candidates to effective directors: What works? Examples from co-ops



Screening

- Review applications.
- Select some for further consideration.
 - Call to discuss the application and answer questions.
 - Invite potential nominees to attend board meetings.
 - Schedule interviews.
- The board development committee should only provide qualified candidates to the board for nomination.
 - Selecting nominees is the responsibility of the whole board.

Interviews

- The committee interviews prospective candidates.
 - The committee can learn more about the candidate.
 - The committee can better assess the skills and qualifications of the applicants and determine which candidates they want to bring to the board.
 - The in-depth discussions during interviews can reveal personal strengths and weaknesses not apparent in written documents.
 - The candidate can learn more about the board, the co-op, and its mission and values.
 - This helps the candidate decide if board service is a good match for his or her interests and skills.
 - Mid-term resignations and draining clashes over unmet expectations become less likely.

(Adapted from The Governance Toolbox, by Mary Courteau and Corinne Shindelar, Northcountry Cooperative Development Fund, 1990.)

Why should the board nominate anyone?

- Governance of a business owned by the community of members is simply too important.
- Members appreciate that the board has assessed its strengths and weaknesses and is actively recruiting candidates that will improve the board's ability to represent and serve them.
- Nominations do not preclude petition candidates.
 - Many co-op bylaws allow any member in good standing to petition to be included on the ballot even if they are not nominated by the board.

Nominations

- Choosing which candidates to nominate for election is a board decision – not a committee decision.
- Directors who would like to run for re-election are generally expected to abstain from nominations decisions.
- Elections are more meaningful if there are more nominees than open seats.

Elections

- Be sure members are able to make an informed vote.
 - Provide clear and concise information about the candidates.
 - Use multiple formats (written information with ballots, posted in store, candidate forums, question and answer time at annual meeting).
- Ensure a democratic, accessible and transparent process.
 - Ballot preparation and distribution
 - Clear instructions for casting ballots
 - Verifying ballots and ballot box security
 - Ballot counting
 - Informing candidates about the outcome
 - Informing members about the outcome

Appointments

- If the board has decided you want or need to appoint someone to fill a vacancy, go to the pool of candidates you've already developed.
- The board may decide to be less rigorous or exhaustive for mid-year appointments, but generally you will follow the same process you use for elections:
 - Screen
 - Nominate
 - Decide.
- Do not simply take the next highest vote getter from previous election!

Orientation (1)

- There are two levels of orientation:
 - Your co-op and your board's process
 - General co-op governance
- What do you want new directors to know about your board?
 - How this board works
 - What's expected of individual directors
 - What the board is working on
 - What this co-op is about
- What do you want new directors to know about cooperative governance?
 - Consider CBL 101 workshop and Reader.

Orientation (2)

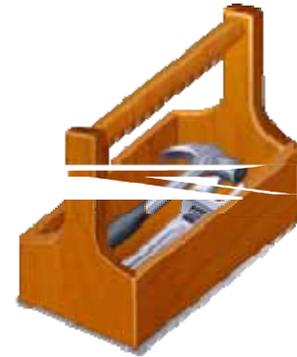
- In developing your own orientation, ask yourselves:
 - What support do new directors need to be successful?
 - What resources and tools are available?
 - Can we make the orientation one part of a continuous learning process?

Questions about the transition from candidates to effective directors?



Tools

- What's available as part of this workshop?
 - Sample policy on board perpetuation
 - Sample committee charter
 - Sample timeline
 - Sample contents of recruitment packet
 - Sample questions for application and interviews
 - Sample list of orientation materials



Don't fret if it's not possible to do everything right away!

Always Begin Where You Are

Thomas Hornsby Ferril

Always begin right here where you are
And work out from here:
If adrift, feel the feel of the oar in the oarlock first,
If saddling a horse let your right knee slug
The belly of the horse like an uppercut,
Then cinch his suck,
Then mount and ride away
To any dream deserving the sensible world.

Wrap up

- Remaining questions and comments
- Evaluation: check-in on outcomes
 - Participants understand the importance of having a plan for board perpetuation.
 - Participants have access to ideas and resources for accomplishing board perpetuation plans.
 - Participants know how to develop and maintain a pool of potential candidates.
 - Participants know how to transition candidates into effective directors.
 - Participants know how to support and orient new directors.
- Follow up Questions?
 - Please direct your follow-up questions to your primary CBLD consultant!