
CDS Consulting Co-op



SOLUTIONS FOR COOPERATIVES

Starting Off Right with Your New General Manager

CBLD Online Recorded Workshop

October 27, 2010

Presented by Carolee Colter & Thane Joyal with Mark Goehring

Files and recording: Available in the CBLD Library at

<http://cdsconsulting.coop/cbldlibrary>

For information about the CBLD program:

<http://www.cdsconsulting.coop/cbld>

The CBLD Team

<http://cdsconsulting.coop/cbld-consultants>



Mark Goehring



Michael Healy



Nina Johnson



Thane Joyal



Carolee Colter



Joel Kopischke



Marshall Kovitz



Bentley Lein



Marilyn Scholl

Our guest panelists

Melanie Reid, GM, Just Food Co-op

- Northfield, MN www.justfood.coop
- “Start up” co-op, Melanie was on staff when it opened in December 2004 and became their 3rd GM in 2008. Prior to Just Food, Melanie worked for 8 years at Linden Hills Co-op including 6 years of service as their Human Resource Manager.

Terry Bowling, GM, La Montanita Co-op

- 4 stores: Albuquerque, Santa Fe, Gallup, NM
www.lamontanita.coop
- Terry started in 2008, came from family-owned conventional grocery chain in Tennessee, started as a box boy in 1978 and became a store manager at age 22.

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Learning Objectives/Desired Outcomes

In this workshop you'll learn how to:

- ❶ Intentionally integrate the new GM into the top leadership team.
- ❷ Set clear expectations for the new GM.
- ❸ Evaluate her/his performance at regular intervals during the first year.
- ❹ Maintain honest, open dialog between board and manager.

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Outline

1. Key elements of integrating a new GM
2. Informal monthly support meetings
3. Quarterly check-ins with the board
4. Monitoring reports and schedule

Four Key Elements for Integrating a New General Manager

- ❶ Monthly informal support meetings with the board president
- ❷ Quarterly check-ins with the full board
- ❸ Hold new GM accountable using your existing policies and monitoring schedule (GM Evaluation)
- ❹ Include additional monitoring for “Communications and Support to the Board” policy.*

* See Slide #14

Informal Monthly Support Meeting

- ❶ Meeting between board president and GM
- ❶ Find an informal setting, share a meal or coffee.
- ❶ Focus on building a relationship between GM and board.
- ❶ Strategize how to talk about upcoming agenda items.
- ❶ Avoid problem-solving management issues while staying supportive.
- ❶ Spend 5 minutes at start to compare lists of what both parties want to cover and 5 minutes at end to evaluate how the meeting went.

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Quarterly Check-in: Three Questions to the GM

Give these questions to the GM when hired and request her/him to submit written answers every quarter.

- 🌀 What challenges and surprises have come up for you in your new position?
- 🌀 How are you dealing with them?
- 🌀 How's it going with building all your new relationships on behalf of the co-op?

Quarterly Check-In: Three Questions to the Board

Allow time on the board agenda every quarter to discuss how it's going. Have these questions in mind:

- 🌀 How does the GM interact with the full board and individual directors?
- 🌀 Are the GM's reports clear and focused?
- 🌀 How well does the GM communicate? Does s/he respond to questions, especially questions s/he can't answer, without defensiveness or anger?

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Quarterly Check-in: Sample agenda

Your agenda for the quarterly check-in (as part of your regular board meeting agenda) might look like this:

Topic	Outcome	Time	Running time
Quick overview of check-in process	Board and GM understand purpose of the quarterly check-in as part of the overall process of creating a successful relationship.	5	5
FYI, Q&A based on GM's written response to the 3 check-in questions (provided in board packet)	Board and GM have taken some time together to reflect on integration of new GM based on three framing questions	20	25
Process review	Board and GM have done a quick review of today's process with an eye on improvements for next time	5	30

Orienting your new GM to your co-op's board process

There are two levels of orientation:

- Your co-op and your board's process
- General co-op governance

What do you want your new GM to know about your board?

- How this board works
- What's expected of individual directors and the GM
- What the board is working on
- What this co-op is about

What do you want new GM to know about cooperative governance?

- Consider CBL 101 workshop and Reader.

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Monitoring

- ❏ Board holds GM accountable from the moment of hire for Executive Limitations and Ends policies.
- ❏ Get into monitoring as soon as possible.
- ❏ Don't lower the bar for the quality of monitoring reports.
- ❏ Ensure your GM knows about CBLD Report Support.
- ❏ Monitor “Communications and Support to the Board” policy twice in the first year, for example at the 3rd and 9th month.
- ❏ Use this process as the basis of the GM Evaluation

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CBLD Report Support

- ❏ GM Report Support. The CBLD Library now has sample monitoring reports that GMs can review, modify, and use in their quest for providing boards with excellent reporting.
- ❏ Our samples are the result of a long running collaboration with many GMs across the country.
- ❏ Each sample report has a companion Online Recorded Workshop that highlights the rationale used in the report.
- ❏ Your CBLD consultant can also provide 1 on 1 support on request.

Communications and Support to the Board policy

(see sample policies in CBLD Library)

-  The General Manager shall not cause or allow the Board to be uninformed or unsupported in its work.
-  The GM will not
 1. Submit monitoring reports that are untimely, inaccurate, or hard to understand.
 2. Report any actual or anticipated noncompliance with any policy of the Board in an untimely manner.
 3. Allow the Board to be unaware of relevant trends, public events of the Cooperative, or internal and external changes which may affect Board policy.
 4. Withhold his/her opinion if the GM believes the Board is not in compliance with its own policies on Governance Process and Board-Management Delegation, particularly in the case of Board behavior that is detrimental to the work relationship between the Board and the GM.
 5. Deal with the Board in a way that favors or privileges certain Board members over others except when responding to officers or committees duly charged by the Board.
 6. Fail to supply for the Board's consent agenda all decisions delegated to the GM yet required by law, regulation, or contract to be Board-approved.

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Integrating the new GM into the Monitoring Schedule

- ❏ A monitoring system and schedule should already exist for monitoring board policy.
- ❏ Don't change the system or schedule due to timing of hiring a new GM, but rather integrate new GM into the existing system and schedule.
- ❏ Expect reporting to begin within 1-2 months of hire.
- ❏ Add one additional monitoring of “Communication and Support to the Board” in the first year, as this policy addresses key aspects of the Board/GM relationship.

Monitoring Process and GM Eval for integrating new GM

JAN	FEB	MAR	APR	MAY	JUN	JULY	AUG	SEP	OCT	NOV	DEC
STAFF	FIN COND	MEMB	CUST	FIN COND	PLANNING, GLOBAL EL	ASSET, BD COM	ENDS, YR END FIN COND	MEMBERS, BD LOG SUPPORT	CUST	EM GM SUCC,	FIN COND

Sample timelines for integrating a new GM into the “standard” monitoring schedule and GM eval process. This example is for a co-op with fiscal year July 1 – June 30, and board elections in October.

Above is the “standard” monitoring schedule, with the 3 month GM Eval process shown at right.

Below are four examples of new GM hire dates (in bright yellow) and when you might expect to begin regular monitoring (pale yellow).

Board previews eval process; memo and table delegated to Sec. for Aug - July

Board has executive session, affirms board decisions, frames letter to GM

Letter delivered to GM, follows board policies and eval principles

★ Quarterly check-ins

New GM!	FEB	MAR	APR ★	MAY	JUN	JULY ★	AUG	SEP	OCT ★	NOV	DEC
	FIN COND	MEMB	CUST BD COM	FIN COND	PLANNING, GLOBAL EL	ASSET, BD COM	ENDS, YR END FIN COND	MEMBERS, BD LOG SUPPORT	CUST	EM GM SUCC,	FIN COND
JAN	FEB	New GM!	APR	MAY	JUN ★	JULY	AUG	SEP ★	OCT	NOV	DEC ★
STAFF	FIN COND		CUST	FIN COND	PLANNING, GLOBAL EL	ASSET, BD COM	ENDS, YR END FIN COND	MEMBERS, BD LOG SUPPORT	CUST BD COM	EM GM SUCC,	FIN COND
JAN	FEB	MAR ★	APR	MAY	New GM!	JULY	AUG	SEP ★	OCT	NOV	DEC ★
STAFF BD COM	FIN COND	MEMB	CUST	FIN COND		ASSET, BD COM	ENDS, YR END FIN COND	MEMBERS, BD LOG SUPPORT	CUST BD COM	EM GM SUCC,	FIN COND
JAN	FEB ★	MAR	APR	MAY ★	JUN	JULY	AUG ★	New GM!	OCT	NOV ★	DEC
STAFF	FIN COND	MEMB BD COM	CUST	FIN COND	PLANNING, GLOBAL EL	ASSET, BD COM	ENDS, YR END FIN COND		CUST	EM GM SUCC,	FIN COND BD COM

Notes: Apply common sense to developing your own process. Take time to reflect on your oversight role for the whole year, even though your new GM has only been there for a partial year. Plan to integrate new GM into “standard GM compensation process and timeline” (in this example Jan-Dec cycle) at first opportunity. (See Online Recorded Workshops on GM Eval and GM Compensation)

Start this new relationship off on the right foot

The board has just put in a lot of time and effort to select a new GM. Now is the time to invest more time and effort in that relationship. By starting your new Board/GM relationship off right, the board builds on the investment it made in the hiring process.

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Related Resources

- 🌀 Online recorded workshops available in the CBLD Library
 - Acting on GM Monitoring Reports
 - GM Evaluation
 - Setting a process for GM Compensation
- 🌀 Your CBLD consultant can help with these important ideas!