



northwest  
cooperative  
development center

## Best Practices in Co-op Board Training

“Best Practices” refers to the practices, systems, etc. that are commonly accepted as the most effective ways to develop a co-op board of directors. There is no right or wrong way—if you are doing things differently in your training and its working for you, great. But here are some of the best practices for board training and development, learned by many co-op Boards.

### THE ROLE OF THE BOARD

One of the most important things to emphasize is the importance of the Board owning perhaps their most critical responsibility – *perpetuation of the Board*.

This is a key piece of maintaining democracy in the workplace. **It’s crucial that the Board understands that the responsibility to perpetuate the Board lies with the Board** and not with the administrative or management staff.

### WHO CONDUCTS BOARD TRAINING

**The responsibility to see that the Board is well trained also lies with the Board.** It is crucial that the Board take responsibility for what type of training they need, how much they will spend on training and when training will happen. **Who does the Training matters** – best case scenario – an outside co-op professional or trained facilitator, eventually evolving to the Board doing the training. Having a third-party trainer: 1) adds credibility to the training, 2) maintains neutrality, 3) offers professional development for Board members. Options to consider for third party training include:

- Cooperative Development Centers
- Trained meeting facilitators
- EXPERIENCED board members from another co-op

Also, it is useful to keep your eye out for trainings occurring at local and national conferences and workshops. While not co-op specific, non-profit board trainings can also be useful.

### DEVELOPING TRAINING MATERIALS

When developing training materials for your Board first ask what other homecare co-ops are doing. Look at Internet sources, and adapt materials you find to your organization and your culture. Places to look for Board development resources include:

- Other Worker co-ops (home care or other)
- Marketing services co-ops, etc.
- Cooperative federations, Cooperative Development Centers and others likely also have resources to share.

This has all been done over and over, there is no need to reinvent the wheel.

## YEARLY BOARD TRAINING

It is best practice to conduct board training annually. At annual board trainings, the following topics should be covered at minimum:

- **Review roles and responsibilities and elect officers**
- **Fiduciary Duties** – legal and ethical responsibilities to the co-op and its members
  - Duty of Care
  - Duty of Loyalty
  - Duty of Obedience
- **Governance and Operations** – It is important to review the difference between governance and operations so that the board knows what to focus on – policy, strategy, big picture questions. If a Board does not understand their role in governance then they will quickly start getting into operations, which causes confusion and chaos for board members, administrators and members.
- **Financial Training** – This can be done separately or in board training depending on boards skills and abilities.
- **Board Calendar** – Start with the end of the fiscal year. The Board calendar should include dates for: annual meeting, Board training, board elections, manager evaluation, board self-evaluation, strategic planning, budget approval, board recruitment, and election of officers. Annual meetings can and do often correspond with profit sharing discussions.
- **Board Budget** – The Board budget should be discussed. At minimum, funds should be allocated for the annual meeting and for annual board training.
- **Board Committees** – Board committees are appointed by the Board Chair. Committees are not decision-making entities. Rather, committees conduct research and develop recommendations to present to the Board on special topics. The board can then vote on issues as appropriate.
- **“One Voice”**—It is critical that the board speak with “One Voice”. While inevitably not every board member will agree on every topic, it is critical that when decisions are voted on and made by the Board that the Board speak with a shared voice on decisions. Dissension among leadership causes distrust in the board.

## DOCUMENTS SUPPORTING AN EFFECTIVE BOARD

Every well-functioning board will have a **Board Manual**. Board Manuals typically include:

- Board job descriptions and responsibilities
- Board Processes
- Board Policies
- Board Meeting agendas and minutes
- Copy of by-laws

## OTHER BEST PRACTICES

- **Mentor system** – longer term board members are paired with new board members, check in regularly and be available for questions, etc.
- **Shared facilitation** – everyone learns the skill, builds engagement and leadership.
- **Bylaws study** – reading and discussing one part of the bylaws each month.
- **Directors and Officers insurance** – While expensive, this is a best practice. NWCDC is looking for affordable options for home care coops.
- **Board Stipend** – a small sum for attending board meetings and trainings in recognition of the value of board members time. This must be voted on by the members (in most bylaws).