

Rogue Proofing Your Board of Directors

Phil Kenkel

Bill Fitzwater Cooperative Chair

A producer never plants a poor crop. They may plant a good crop that turns out poorly. A cooperative never intends to have a problem board member. Occasionally a good board member crosses the line or the election process puts the wrong individual in a board seat. When a board member's contribution becomes detrimental to the functioning of the board the board chair must intervene. A better solution is to take steps to prevent the occurrence of a rogue board member. Rogue proofing your board may not eliminate the possibility of a rogue board member but it can make it much less likely.

A good board nomination and election process is the first step in rogue proofing. Some cooperatives have implemented a mail nomination system by which any interested member can apply to run for an upcoming position. They also post a description of board member duties, expectations and code of conduct on the web site. The goal is to reduce the likelihood of a last minute floor nomination which may elect a candidate with a personal agenda. Cooperatives are member governed organizations. The election of board members is a key member responsibility. The board should not interfere with that process but should help to ensure that the members are evaluating candidates with due diligence.

The development of a board member job description and written code of conduct is another step in rogue proofing. Those documents clarify and communicate a board member's proper role. The board chair can review the code of conduct periodically as a best management practice. That creates a mechanism to provide a gentle reminder on behavior. Board evaluations are another tool in rogue proofing. Most boards are reluctant to include anonymous evaluations of individual board members in the board evaluation process. The use of a facilitator can make that process relatively painless. The certainty of evaluation by other board members can be a strong deterrent to rogue behavior.

The last step in rogue proofing your board is to consider your procedures for removal of a board member. The board policy manual and director code of conduct can contain language describing the procedures a board would use to ask a board member to resign. Under most bylaws the offending member would not be obligated to resign but the vote of no confidence places pressure for the board member to step down gracefully. The cooperatives articles and bylaws describe the process for board member removal. In most cases the board would vote in favor of a resolution for a membership vote for removal. The resolution would typically describe clear violations of the code of conduct, which re-emphasizes the importance of that document. The resolution would be presented at a special or annual membership meeting, followed by a membership vote for removal. Every board should examine their cooperative's procedures and make sure they understand them and that they are appropriate. Board member removal is like a fire extinguisher. You hope you never need it, but if the situation arises, it needs to be in working order and you need to know how to operate it.

If you would like a sample board of conduct or help with board evaluation, let me know.

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