

# From Cool Ideas to Cooler Results

*Study and engagement supports board strategic leadership*

BY JOEL KOPISCHKE

**S**erving on a board has been some of the most rewarding work I've done in my life, but it rarely has provided instant gratification. And that's appropriate—the board takes a long-term view.

One of the most important functions of the board is to understand what is going on in the industry and the world that might affect co-op owners and learn what we need to know to inform our leadership decisions. This learning is not problem solving (which can provide a feeling that's closer to instant gratification), it's study and engagement as part of strategic leadership. The wisdom we gain will inform our work, but it can be hard to connect the dots to a specific outcomes.

What does study and engagement look like? As a board, we choose a topic or question and settle on a work plan to explore it. After deepening our understanding of that and how it might affect our owners, we re-examine our Ends policies, or other written documents that articulate what results our organization is to achieve and for whom, with our newly-gained wisdom and knowledge. (See "Thinking Strategically," by Marshall Kovitz in *CG* #144, Sept.–Oct. 2009.)

Sometimes, despite a very productive process of study and/or engagement, we don't even modify our policies. And while re-affirming policies isn't as sexy as writing new ones or tinkering with the existing words, it is very powerful to confirm that after thorough review the organizational goals previously stated still apply. While the discussions themselves are worthwhile, it can be tough to maintain momentum for this work if your board is struggling to feel a sense of achievement from this somewhat abstract endeavor. What then?

## What's the true purpose?

One reason that connecting the dots may be difficult is that we may be looking in the wrong direction. I'm paraphrasing Buckminster Fuller's definition of "precession," but imagine the work of the board is like dropping a pebble in a lake. The direction of the pebble is down, but the waves ripple out at 90 degrees. The impact of the action is not necessarily in the same direction as the action itself.

Or imagine the board as a bee gathering nectar to make honey. While the bee is gathering nectar, it is also doing much more important work—pollinating plants. It's not just a side effect; the true purpose and goal of the work was something



Outpost Nutritionist Judy Mayer at the school health fair.

PHOTO COURTESY OF OUTPOST NATURAL FOODS

## How to get from cool ideas to cooler results

Allow our creativity and imagination and passion to come through and drive our exploration and discussion of the big picture. In other words, start with talking about what's important.

"We're not allowed to talk about that in Policy Governance," is a common misperception. It's true that Policy Governance helps the board stay focused on its role of governance and helps highlight the drawbacks of delving into operational details. But sometimes those operational details are tantalizingly interesting. What to do? Some advise abstinence—don't talk about the operational stuff lest you fall into micromanagement (as many have done) or just lose focus on the board's job at hand (also done by many).

For a board with discipline and maturity, I offer an alternative—namely, that no topic is out of bounds. Want to talk about what brand of a certain product to carry? Go ahead! But—and this is a big and sometimes tricky "but"—do it from a governance perspective. It's not about problem-solving, it's about understanding and learning and gauging the impact on the owners.

Take that product idea—for example, I want the co-op to carry Joel's Vitamin K tablets. The board should insist that I make a case that it's a governance/value-level discussion. Then the board as a whole decides if this goes on an agenda. If so, instead of getting into operational details, talk about

completely different than what was presumed.

If you are struggling to see the impact, you may find insight in the work of Buckminster Fuller.

If you are frustrating by the pace of the results, you may find comfort in Confucius' words: "If you think in terms of a year, plant a seed; if in terms of 10 years, plant trees; if in terms of 100 years, teach the people."

If you are unimpressed by Confucius and Bucky, you may find inspiration in some real-world examples. Following are some that help to illustrate how the exploration of a broad topic led to articulation of values, which were then brought to fruition by some organizational action.

### Outpost Natural Foods (Wisconsin)

In 2003, I came across an article about Natural Ovens Bakery's initiative to bring healthy food into area schools and forwarded it to the rest of our board at Outpost Co-op. In 2004, we used our regularly scheduled time for "visioning" at our monthly board meeting to watch and discuss the video, "Impact of Fresh, Healthy Foods on Learning and Behavior," which documented the project. The results were inspiring, and the board talked excitedly about how wonderful it would be to have such a positive impact on young people, especially at-risk students.

The board considered its existing policies and made no changes. The General Manager, Pam Mehnert, also inspired, looked to the policies and interpreted "the community is educated about personal and environmental health" to extend beyond owner families and children

to families and children in our community. Mehnert and her team began brainstorming and looking for opportunities and determined that having an educational foundation (the Twin Pines Foundation) could be one way to generate funding for community endeavors.

A few years later, after a changeover of some of the directors, the Natural Ovens video resurfaced, and once again the board talked about how educating young people on healthy eating seemed even more important than it had a few

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it at the governance level—how you believe things will be different for your owners because you carry that product. Then extract from the themes of that discussion the values that emerged (e.g., local suppliers, lower price/better accessibility, greater health, more environmentally friendly packaging). Then have great value-laden discussions about those values, and perhaps set up study and engagement plans to explore them in more depth and learn more. Then check what you have said in your policies about those values.

Also, if you are clear in your intentions beforehand that a discussion's goal is to just explore the values and impact and not to direct your employees, then small missteps off topic into "forbidden territory" don't derail the process and are easily forgiven.

No topic is off-limits for a board, even when they want to avoid operational issues. The key to doing it correctly is how topics are discussed. Stay focused on the values and you should steer clear of most problems.



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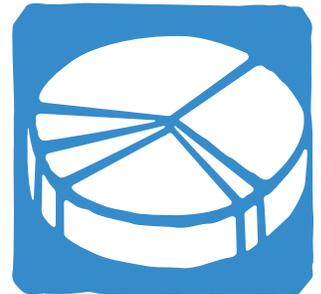


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◀ years earlier. But how to get the knowledge to these kids and get them access to healthy food?

Coincidentally, a number of parents from various schools approached Outpost to ask similar questions, and Mehnert started to explore a possible pilot school lunch program. She met with one school initially, then brought in the staff nutritionist to help coordinate a health fair for the parents, which included other health-related practitioners and an opportunity for the kids to try some great food, which they loved.

After the health fair, Outpost's food service director developed a potential menu with kid-friendly food choices. Grant money was sought both by the school and by Outpost, with Organic Valley subsidizing organic milk that first year. A pilot program was established for two school years, providing hot lunch to 150 kids once a month. On Outpost lunch day, Outpost's nutritionist would spend time in each classroom talking about healthy food and offering samples for kids to enjoy. A handout was provided by Outpost for the kids to take home the day of the lunch, explaining to the parents what foods they ate and why these were nutritionally better than a typical school lunch.

In 2006, Outpost's thinking expanded beyond kids to other populations lacking access to healthy food, and a wholesale program offering bulk dried fruits and snacks began at a local hospital. That program expanded in 2009 to include some prepared foods (sandwiches and salads) and fresh baked goods. A second hospital was added quickly on the heels of the first. There are currently three wholesale hospital locations for Outpost, with annual wholesale revenue growing to \$135,000 in 2011 and the potential for an Outpost market in the lobby of one of those locations.

Eight years after the initial study, the program continues to grow and impact the community.

Outpost provides a wonderful illustration of a board learning more about an issue, having a great discussion, and being sure that the values are reflected in their policies, followed by the general manager interpreting the policies and leading the organization to results that fulfill those values. Outpost is not an isolated example. Following are some other great results born from board study and engagement work.

### More examples

#### Weaver Street Market (North Carolina):

From its beginning, part of the Weaver Street Market vision has been that having co-ops in town/village centers is good for communities. Town planners were invited to board meetings so more could be learned, and this vision is now realized with their three stores, restaurant, and a food house. The food house grew out of the strategic exploration into influencing the food system with the goal of making it more local. As a way to buy and create more local products, they built a large-scale production facility (food house).

If you are looking at 10 years in the future and follow Confucius' earlier advice, you plant a tree that might still be a sapling when your time on the board is done.

#### Three Rivers Market (Tennessee):

Three Rivers Market is a small co-op that started studying transformation from lots of angles: economic, health and well-being, internal business systems, and more. They took this knowledge and applied it to their work toward understanding Knoxville and their sense of place in it, preparing for re-emergence in the community. The co-op re-emerged in a big way and is in the midst of a transformative growth and development cycle, having just opened a new location to accommodate that growth.

#### Brattleboro Food Co-op (Vermont):

The board studied co-op principles, co-op development, and the state of the natural foods industry. With the help of a facilitator, they asked some really good questions. Management laid out a far-reaching plan (100 years!) demonstrating the role of the co-op in the community. They embarked on a series of meetings with board chairs from co-ops in the region and said to them: "You are doing all this interesting work, all this thinking, but what difference is this making in the store?" The answer they mostly got was, "It's not, but it's influencing the planning process, which will take decades to unfold." Brattleboro is in a \$9M development project that is simply extraordinary, even more so for a town with a population of just 12,000. See related articles by Alex Gyori, "Engaging Our Community to Create Shared Vision (CG #132, Sept.–Oct. 2007) and Mark Goehring, "Co-op as Store Becomes Co-op as Community (CG #117, March–April 2005).

**Neighboring Food Cooperative Association (New England):** When Brattleboro pondered and explored what cooperation among cooperatives might look like, it led to the amazing creation of an association of over 20 co-ops working together to build a thriving regional economy ("Planning in Collaboration," CG #140, March–April 2009). These are illustrations of study and engagement leading to accomplishments that are having a real impact. If you know of other great stories that might inspire others, please pass them on to us, and perhaps we will compile some follow-up companion material to further enlighten our co-op boards.

#### How long does it take?

How long not just to complete a project but to see the realization of the values? Can your board have

the patience and trust to do the work that will come to fruition much farther down the road? I believe it is imperative for every board to do so. Maybe the cause and effect aren't as immediately apparent, but these stories point strongly to the fact that study and engagement is important and meaningful work for boards that impacts the organization, its owners, and its community. And the knowledge built will prepare your board well to make wise decisions in the future.

You may not see results overnight. But this is about long-term objectives and direction, so it's appropriate for things to take some time. I hope these examples will inspire your board to implement (or continue) a plan of study and engagement on big-picture topics that will provide strategic leadership, eventually resulting in organizational outcomes. If you are looking at 10 years in the future and follow Confucius' earlier advice, you plant a tree that might still be a sapling when your time on the board is done.

And if you're having trouble seeing the forest for the trees, remember the Greek proverb: "A society grows great when old men plant trees whose shade they know they shall never sit in." ■

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