

Co-op Strategies

linking research and co-operative business

newsletter to the sector

#1 / january 2007

► Issues: Governance and Leadership

Co-ops need strong boards with a capacity for fleet, strategic, and proactive decision making.

A strong board is comprised of strategic leaders who direct and inspire management and deserve respect.

Boards need up-to-the-minute knowledge of the economy, the industry, the competition, and the unique needs of member owners.

► Is your board doing its job?

It is not enough to make a list of a board's tasks and responsibilities; you have to focus in on *the key ones*.

The board must decide how to protect and use the resources of the co-op in order to provide the most benefits for the members.

It is the board's job to LEAD the co-operative; the letters in LEAD stand for the four major tasks of any board: Linking to members, Enacting policies, Assuring performance, and Dreaming the future.

► Do you know who your members are?

- boards of directors are woefully uninformed about their members and may not be aware of the massive changes taking place in their membership
- if co-operatives expect to remain competitive with investor-owned firms, they have to unbundle the membership as a whole and figure out how to communicate the co-op's message to each member as an individual
- the centre is leading a national study of co-operative membership and globalization. See more details at www.socialcohesion.coop

► See these centre booklets for more information

Up a Creek with a Paddle: Excellence in the Boardroom / Ann Hoyt

Leadership and Representational Diversity / Cristine de Clercy

Cognitive Processes and Co-operative Business Strategy / Murray Fulton & Julie Gibbings

► Check out www.governance.coop

The Canadian Co-operative Association's governance site has the latest research, best practices, and lessons learned on issues related to co-operative governance and leadership, including results from the first-ever national survey on co-operative and credit union governance practices.



centre for the study of co-operatives
university of saskatchewan

supported by
the co-op sector

▶ Linking, Learning, Leveraging

is the title of a major new research initiative at the centre that will describe and measure the impact of the social economy in northern Ontario, Manitoba, and Saskatchewan, one of five regional nodes across the country. With partners from 12 universities and more than 40 community-based organizations, the project aims to strengthen and expand existing capacities in the co-operative, community economic development, and Aboriginal economic development sectors. Check out the website at www.usaskstudies.coop/socialconomy

▶ The Centre's Library

is completely accessible online through our website. We house Canada's largest English-language interdisciplinary collection of materials on co-operatives, with more than 5,000 items, including books, periodicals, newspapers, videos, pamphlets, and annual reports focussing on co-operatives and related social, historical, economic, and political topics. Our librarian offers information and research support to anyone interested in studying co-operatives and other related fields.

Open Monday – Friday, 8:30 – 4:30
Diefenbaker Centre, U of S campus

▶ www.usaskstudies.coop

is inviting and user friendly, with information about centre news and events, upcoming conferences, and links to co-operative organizations around the world. Many of our publications are posted, as well as current director's reports, newsletters, and annual reports. All of our publications are also available for sale from the centre at the mailing address below.

▶ The Centre for the Study of Co-operatives

is an interdisciplinary teaching and research institution located on the University of Saskatchewan campus in Saskatoon. It is supported financially by the co-operative sector—Credit Union Central of Saskatchewan, Federated Co-operatives Ltd., Concentra Financial, The Co-operators, and the CUMIS Group—the Government of Saskatchewan, and the University of Saskatchewan. We acknowledge with gratitude the ongoing support of all our sponsoring organizations.

▶ More on Governance ◀

Is your co-op “linked”? Is it “transparent”?

Does it know how to “think” and adapt?

This centre booklet offers advice on co-operative business strategy.

Linkage

- Focus business strategies on strengthening “linkages” with members' household, business, or farm economies.
- Where the members' and the co-op's economies become interlinked—like a single unit—they can achieve efficiencies no other form of business can achieve. The key to this relationship is “trust.”

Transparency

- To create trust, make your co-op “transparent.” Help members “see into” it: see its governance structures, the differing members and stakeholders and their interests, its programs and lines of business.
- Members also need to see “through” the co-op to the wider market beyond—they have to know who the competition is, what the market signals are, what are the major trends and alternatives. *If they don't understand the industry, they won't know why they need the co-op.*

Cognition

- A co-op needs to “think”—it has to have cognitive processes, including having a sense of its environment, a sense of its own identity, and a sense of interaction with its environment.
- Co-ordinate research, communications, and governance to help your co-op “think” better.
- A shared sense of identity and purpose is what keeps the components of a co-op moving together while it changes.

▶ **More details?** See Brett Fairbairn's *Three Strategic Concepts for the Guidance of Co-operatives: Linkage, Transparency, and Cognition*, available from the centre at the address below.

▶ Is there anything you would like to see covered in this newsletter?

Send us your ideas!

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