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MANCHESTER 21-22 JUNE 2019

BUILDING CO-OPERATIVE PLACES

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CO-OPERATIVE GOVERNANCE EXPERT REFERENCE PANEL

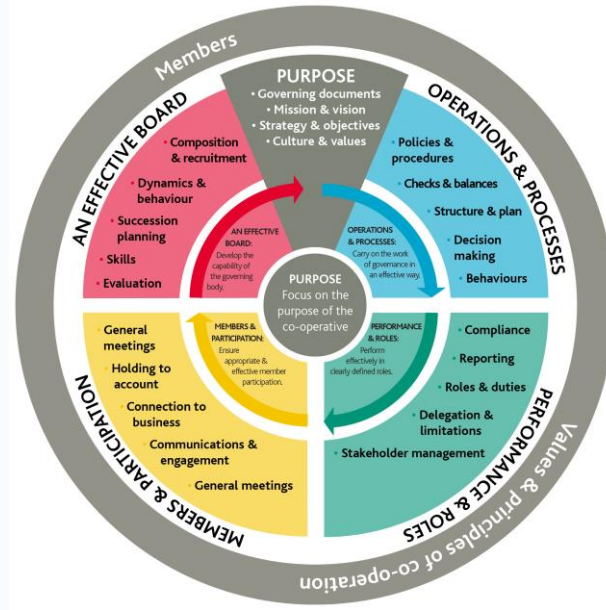


- ▶ made up of governance experts representing all types and sizes of co-ops
- ▶ custodian of the governance agenda for co-ops in the UK
- ▶ sets governance standards for co-operatives, encouraging innovation, active challenge and debate.

GOVERNANCE WHEEL

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BOARD EVALUATION – HOW TO GET THE MOST FROM YOUR BOARD

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WHY DO BOARD PERFORMANCE EVALUATION?

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- ▶ *“The board should undertake a formal and rigorous annual evaluation of its own performance, that of its committees (where they have been established) and individual directors (including the chair). Evaluation of the board should consider its composition, diversity and how effectively directors work together to achieve the objects of the co- operative and generate value for its membership. Individual evaluation should demonstrate whether each director continues to contribute effectively and their commitment to the role.”*
- ▶ Section 4F, The Co-operative Code of Governance

WHY DO BOARD AND DIRECTOR PERFORMANCE EVALUATIONS



- ▶ It challenges, validates and assesses performance, skills, expertise and diversity
- ▶ It is a tool to assist in ensuring accountability to members
- ▶ It helps to tease out the board's expectations of directors
- ▶ It reminds boards to be clear on their goals and purpose
- ▶ It helps build team cohesion and effectiveness
- ▶ It should be a positive and helpful experience

OUR GUIDANCE NOTE



- ▶ Designed to be used by any type or size of co-operatively run business
- ▶ A how to guide with information about
 - ▶ types of evaluation
 - ▶ suggested criteria for assessment and methods of evaluation – e.g. self assessment, peer review
 - ▶ use of external facilitators
 - ▶ issues to consider – e.g. unconscious bias, lack of buy in
 - ▶ record keeping and use of the evaluation outcomes

AN EXERCISE

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- ▶ For those that have undertaken an evaluation
 - ▶ What did you learn from the process and what are your top tips for co-ops thinking about undertaking a board or director evaluation?
- ▶ For those that have not undertaken appraisal
 - ▶ How would you approach the evaluation of individual directors and the effectiveness of the board?
 - ▶ Do you have any concerns or questions about it?
 - ▶ Would you consider peer review?

FIVE TOP TIPS

- ▶ You need individual and collective commitment to take the exercise seriously
- ▶ Start off with self-assessment and develop the process as you grow more comfortable with it
- ▶ It's a continuous exercise
- ▶ Evaluation should be positive and developmental
- ▶ Make sure you know what good looks like
 - ▶ (And use our guidance note)



THANK YOU!

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