

The Essential Co-operative Chairperson

In-depth guide



The Essential Chairperson

An effective chairperson can play a pivotal role in the success of a co-operative, helping to enhance its governance, providing strategic direction and overseeing the management of the co-operative's senior executives.

What skills does an effective chairperson need?

An effective chairperson should continually develop skills to enable them to lead with integrity and provide strategic direction to the co-operative's governing body. Broadly, the skills of an effective chairperson are:

- Strong leadership and effective decision-making skills
- Good communication and interpersonal skills
- An ability to create space for all meeting participants to express their views
- An ability to act fairly and diplomatically especially when resolving conflict
- An ability to keep discussions on track, summarising the main points, and reaching consensus
- An ability to respect confidentiality and to build trust with other members of the governing body, staff and other key stakeholders

A co-operative may find it useful to develop a profile for the role, setting clear boundaries for the person carrying out the role and to foster an understanding of the role amongst the governing body and members of the co-operative.

How is the chairperson appointed?

The chairperson is usually elected or appointed by and from the co-operative's governing body with the terms of the office and additional responsibilities set out in the governing document and standing orders of the co-operative.

What responsibilities does a chairperson have?

Unlike a director, the law does not attach any legal duties to the role of the chairperson. However, there are typical responsibilities attached to the role that may vary depending on the size and scale of the co-operative and the business it carries on. Broadly, the responsibilities of the chair include:

Providing strategic direction and leadership to the co-operative's governing body

The development of a strategic plan is the responsibility of the governing body as a whole, but it is the role of the chairperson to provide leadership in enabling the governing body to deliver on its outcomes.

Ensuring aims and objectives of the co-operative are delivered

The chairperson should ensure that the co-operative's governing body and staff work towards and best apply resources to fulfil the aims and objectives of the co-operative. This can be achieved by monitoring the strategic plan.

Oversight of the co-operative's governance arrangements

Although the responsibility for good governance rests with the Board as a whole, the Chair, working in conjunction with the co-operative's secretary, should:

- Oversee the operation of governing body meetings by setting a clear agenda ensuring that it is followed and keeps to time. This includes ensuring that sufficient time is allowed for discussion of complex and contentious issues in meetings and that actions are noted and followed up either in another meeting or 'off-line'
- Ensure that members of the governing body receive accurate, timely and clear information, in particular about the co-operative's performance (and its subsidiaries, if any) to enable the governing body to make sound decisions and monitor the progress of the co-operative effectively
- Ensure that communication with the co-operative's members is effective and that directors develop and understanding of the views and the needs of the members
- Ensure that there is a process in place for regularly reviewing the governance of the co-operative
- Be an exemplar when representing the co-operative at external events

Line management of the co-operative's senior staff

For co-operatives with a Chief Executive and a wider Management Team, the chairperson may be directly involved in their line management or, at the very least, have oversight of management issues. There should be a clear delineation of

responsibilities between the role of the chair and the role of the Management Team to enable constructive relationships to be fostered and maintained.

Monitoring Board, individual director and Chief Executive performance

The chairperson should take the lead in identifying development needs of individual directors and the Board as a whole - and agree measures to meet these needs. This includes a process for annual review and evaluation of the performance of individual directors and the effectiveness of the Board as a whole. If the co operative has a Chief Executive, the Chair should evaluate their performance, at least annually.

Essential reading

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