



Cooperative Management Series

Effective Board Meetings

Phil Kenkel

Professor, Bill Fitzwater Cooperative Chair

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Introduction

Often boards lose valuable time and resources on meetings that show few results. An effective board meeting allows the cooperative directors to meet their objectives for the meeting without using excess time and energy. This fact sheet will address only a few of the ways to make board meetings more effective and other suggestions can be found in the fact sheets AGEC-986, "Parliamentary Procedure in the Board Room" and AGEC-971, "Building the Board Packet."

Governing Documents

While this may seem an unusual method, being familiar with the governing documents of the organization allows directors to quickly disregard solutions that would not be complimentary to the cooperative's by-laws, articles of incorporation, or the local laws in the area. By understanding these documents directors can also better support their arguments and provide a sound legal basis, which is recorded in the minutes, for the decisions that are made.

Minutes

The minutes provide a legal paper trail that helps mitigate the legal liability of the board, but they also can contribute to the efficiency of the board. Many cooperative boards of directors have meetings only once a month. This time span can allow directors to forget some of the details of what was discussed in the last meeting and what was to be discussed at this meeting. Rather than spending time talking about what has already been discussed and arguing about what the final decision was, directors can refer to the minutes of the previous meeting.

Committees

If improperly utilized the use of committees can harm the efficiency of the meeting more than help it; however, committees properly used can promote a well-organized meeting. Committees work because they build teamwork among the board and divvy the tasks up among the members who can most efficiently do the work. Committees can be used to oversee or prepare recommendations on a significant project, advise staff or make management recommendations.

For these efficiencies to be realized, certain guidelines should be followed. Directors should not serve on more than two committees to assure one or two directors are not carrying the load of the work. These committees should be made up of no more than four members and may need to include outside sources such as bankers, consultants, or other businessmen. If these general guidelines are followed committees can be a valuable tool in improving the efficiency of your board.

Executive Sessions

This is perhaps the most controversial of the board efficiency tools. Executive sessions are held when board members close the meeting to anyone outside of the board of directors, including the manager. These sessions allow directors to express their true feelings without harming members or discussing sensitive issues. These types of sessions are generally utilized when the board is reviewing the audit, evaluating the manager, investigating the manager, or discussing a source of conflict between board members. The topic of the session must be noted in the minutes, but the specifics do not have to be written in the minutes.

Mini-Executive Sessions

This is a variation on the executive session, in which the board meeting is closed to all but the manager and the board. These sessions have all of the benefits and pitfalls of an executive session. These sessions are primarily reserved for discussions involving staff or lawsuits. Any issue that is particularly sensitive to the cooperative and should not be shared with the membership until a point in the future should be reserved for an executive session.

Other Suggestions

Prepare carefully for the meeting in order to assure that the above suggestions are most effective. Prepare an agenda in advance and send it out with a board packet before the meeting (see AGEC-971, "Building the Board Packet"). Objectives should be set ahead of time as well, usually by the manager and the board chair, and items that must be taken on at this meeting are identified. On the day of the meeting, some additional tools include time limits for agenda items, reviewing

the agenda, and making sure everyone has the opportunity to voice an opinion. One very important issue is time spent on board meetings. Always start on time, and if possible end on time.

After the meeting send out copies of the minutes to directors, and begin follow up actions. The key to a good meeting is planning, so begin planning the next meeting as quickly as possible.

Conclusions

Efficiency in the boardroom depends on many factors, but overall good planning is the key. Boards that use the tools available to them—such as governing documents, minutes, executive sessions, and committees—are more efficient and make well-informed decisions. Other tools to aid in planning the meeting are also available. Directors should utilize these tools and others referred to in other fact sheets to make their cooperative's board meetings run smoothly and efficiently.

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