

OCDC Cooperative Governance Assessment

Identifying Cooperative Board
Training Needs by Stages in the
Board's Development

A USER
MANUAL



USAID
FROM THE AMERICAN PEOPLE

OCDC

 **INTERNATIONAL
COOPERATIVE
RESEARCH
GROUP**



About the Manual

The Overseas Cooperative Development Council (OCDC) recently developed tools to identify unique director training needs of early stage cooperatives in developing countries. This manual is a guide for in-country implementation of those tools. It is primarily directed toward staff organizers and trainers in Cooperative Development Organizations (CDOs) and international Non-Government Organizations (iNGOs). Although the manual refers to cooperatives throughout, it can be adapted for use in a wide variety of community based non-profit organizations. The manual may require adaptation before it can be used as part of a country specific director training program plan.

What is OCDC?

OCDC brings together eight organizations committed to building a more prosperous world through cooperatives. Its mission is to champion, advocate and promote effective international cooperative development. Working cooperatively, our members promote sustainability and self-reliance through local ownership. The OCDC Research Group helps bridge the gap between theory and practice through research, learning and dissemination, working in partnership with CDOs and other researchers and scholars. It provides cooperative development knowledge and information to the international cooperative and development communities.

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OCDC Member Organizations

Equal Exchange
Genex
Global Communities
Health Partners
Land O' Lakes
International Development
NCBA CLUSA International
NRECA International
World Council of
Credit Unions

OCDC Cooperative Governance Assessment

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Welcome to OCDC's Manual designed to help you conduct a governance assessment to identify training needs of cooperative boards of directors. The manual focuses on board training needs in the early stages of cooperative development. It assumes that different boards have different training needs and provides methods you can use to identify the needs of a particular board.

INTRODUCTION



“Cooperatives give ordinary people the ability to accomplish extraordinary things.”¹

Throughout the world, cooperatives have proven their ability to transform the lives of members and employees. Research and experience have shown they can be a viable and effective economic development tool in developing countries.

What contributes to quality?

Although many factors contribute to successful establishment and growth of cooperatives, a well-organized and competent board of directors is an important factor in cooperative success. At the same time, directors of local cooperatives often do not have the familiarity with democratic governance processes and the business skills needed to serve as effective directors. Research has shown that all cooperative boards, both in developed and developing countries, can and do benefit from high quality training designed to meet their specific needs.

The manual suggests specific steps to follow and provides tools you can use to plan director training events. Here you will find a step-by-step approach for how to prepare for, plan, implement, and analyze a board of directors’ training needs. Useful tools needed to conduct a governance assessment are presented in the appendices and references to them are included throughout the text. Materials for the assessment are also available online in English along with translations in other languages, where available.

Information in the appendices will also help you become familiar with how these methods were developed, definitions of terms used in the manual and critical assumptions we made as we developed this assessment method.

We hope these tools will help you design director training programs that will meet individual boards’ unique training needs at various stages in their development from startup to long-term success.

Why this Manual?

In 2015 OCDC identified good governance as a major factor in the success of cooperatives in developing countries. This began an effort to provide effective board training for directors of those cooperatives. Using a model of board development stages in emerging cooperatives, OCDC conducted an international survey of cooperatives to identify director training needs in a variety of cooperative settings. Key objectives of the survey were to:

- Generate stage-specific cooperative governance training recommendations;
- Create effective tools to help cooperative directors identify training they need; and
- Test the tools developed by the project for successful implementation in the field.

To our knowledge, an international survey based on life cycles of boards is a new approach to development of grassroots-informed governance assessment and training tools for cooperatives. This manual is based on the results of that survey. The survey is described at length in ➔ [Appendix 1](#).

Audience

This manual has been developed for use by cooperative developers, trainers, consultants and others who are invited to provide training for cooperative

¹Jean Jantzen, formerly of CHS Inc., in her address upon induction into the Cooperative Hall of Fame

boards of directors. In order to conduct a neutral and unbiased assessment we recommend the assessment be led by an individual who is not part of the cooperative (e.g, a director, staff member, volunteer or member), but is sufficiently familiar with the cooperative to implement the process and assess the information collected. If it is not possible to use an outsider, it will be important to select a project leader and team members who are known within the cooperative to be competent, objective and impartial.

Assessment Implementers

Primary

Cooperative Development Organization (CDO)

Secondary

Apex Association

Donor (i.e. USAID)

Cooperative Support Organization
(i.e. OCDC, ICA)

Cooperative

Time Commitment

We estimate the time needed to study the background and methods, plan the assessment, conduct a survey, collate and analyze the data, and report results to the board is approximately six weeks. This estimate, described in the timeline below, is based on experience from the OCDC governance project described above and assumes an iNGO leads the assessment. Additional time may be required depending on the level of board engagement, availability of implementation resources and size and experience of the assessment team. It is possible for one person to implement this assessment from start to finish. If a team of individuals is available to implement the assessment, we recommend that one person be designated as the assessment leader. This person will manage the overall assessment, supporting and overseeing team members throughout the process and will serve as the primary contact with the cooperative's board president and the manager.

Cooperative Governance Assessment Timeline

	PHASE 1: STUDY THE ASSESSMENT PROCESS Understand the Governance Stages Model Review the Steps in the Process	PHASE 2: PLAN THE ASSESSMENT Obtain Commitment Hire & Train Assessment Team Identify Development Stage Assign Assessment Tools Plan Data Collection	PHASE 3: IMPLEMENT THE GOVERNANCE ASSESSMENT Collect Data from Board Members Collect Data from Members	PHASE 4: ANALYZE THE DATA Collate and Analyze the Data Prepare Report of Results	PHASE 5: REPORT ASSESSMENT RESULTS Plan of Action Report to Board
Week 1					
Week 2					
Week 3					
Week 4					
Week 5					
Week 6					

PHASE

1

STUDY THE ASSESSMENT PROCESS

In order to identify a board's training needs, it is important to be thoroughly familiar with the material in this manual. An in-depth review and analysis of why a model cooperative governance assessment was needed; the theoretical basis for the assessment; how the proposed tools were developed, piloted and released; and key definitions and assumptions underlying the research are explained in ➔ **Appendix 1**.



STUDY STEP 1

Understand the Governance Stages Model

The Governance Assessment is based on a three-stage model that describes the characteristics of boards of directors as they develop from an informal committee into a democratically elected board of directors who oversee the activities of an incorporated cooperative business with paid management and staff members. The complete model is presented in ➔ **Appendix 2**. An excerpt of the model appears in the table below. You can see that descriptions for each board characteristic vary as the board progresses through the development stages. Understanding how the nature of the board's work changes as the cooperative progresses from a small group of people with a good idea to a fully functioning business with many members and a full-time paid staff is critical to designing effective board training.

Example: ➔ **Appendix 2 — Three-stage Governance Model**²

OCDC Framework for Cooperative Governance Development Stages			
Development Stage	Stage 1	Stage 2	Stage 3
Leadership Style	Creativity	Direction	Delegation
Coop Lifecycle	Startup	Establishment	Institution
Characteristics			
Product / Program	<i>Single product or service: primary reason the organization was created.</i>	<i>Success/expansion in original product: expand services, enter new markets, bring in new members; raise new money.</i>	<i>Eliminate some products, programs: performance standards/trend analysis influence product lines.</i>
Board Focus	<i>Issues of formation: basic operational systems and basic organizational structure (incorporation, bylaws, banking relationships, relations with granting agency, if any). Strong mission focus.</i>	<i>Issues of process: board focuses on mission and operations, but becomes more conscious of policies and process. Elects officers and may establish committees. Distinguishes between operations and governance work. Passion for mission decreases with focus on building internal capacity.</i>	<i>Issues of stabilization: revisit and re-define the mission. Longer term strategic focus. Directors monitor operations and leave implementation to staff. More structured meetings; stronger policies; focus on accountability and strategy</i>
Decision Making	<i>Consensus</i>	<i>Majority vote</i>	<i>Majority vote</i>
Board Culture	<i>The board is the organization. Small, homogeneous, committed. Works mostly as an informal steering committee.</i>	<i>Some formal systems in place. Board assumes responsibility for well-being and longevity of the organization. Becomes more conscious of board development.</i>	<i>Formalized relationships. Continuous learning and asking key questions are valued. Board challenges management and each other.</i>
Organizational			

²Board Passages: ➔ **Three Key Stages in a Nonprofit's Life Cycle, National Center for Nonprofit Boards Board Developmental Phase Thumbnail**, Lee Bruder Associates, ➔ www.leebruderassociates.com

Male, Richard, ➔ **Life Cycles of Nonprofit and Nongovernmental Organizations (NGO's)**, Richard Male and Associates, ➔ www.richardmale.com, downloaded March 14, 2016

STUDY STEP 2

Review the Steps in the Process

The entire assessment process consists of five major phases. Be sure you understand each of them, what is involved and how much time it will take to complete the full Assessment Process.

- 1. Study:** Review the Governance Development Stages, each of the assessment phases, and the steps in each phase. [2 steps]
- 2. Plan:** Get ready to conduct targeted surveys of the cooperative's board of directors and a sample of its members. [5 steps]
- 3. Implement:** Interview each director, the manager, and a sample of the members. [2 steps]
- 4. Analyze:** Collate and analyze the data. [2 steps]
- 5. Report:** Develop a written report of your findings and training recommendations and present it to the board. [2 steps]

Being very clear about the process will be important when you meet with the cooperative's board president and the manager to discuss the assessment process. More information about this meeting can be found in [➔ Plan Step 1](#).

PHASE

2

PLAN THE GOVERNANCE ASSESSMENT

There are several ways that you may be participating in a board training exercise: a cooperative may have requested board training from you or your organization; a CDO or other outside party may have asked you to provide training for a specific cooperative; or your organization may have developed a board training service, either at no cost to the cooperative, or at a fee. However you have been selected, careful planning is needed to complete a successful assessment. Planning for an assessment involves several steps: preparation of the cooperative's board president and manager; selection and training of team members who will assist in collecting and analyzing data; determination of the board's development stage so that you can target the training to the board's specific needs; and identification of the best assessment tools, depending on the board's development stage.



PLAN STEP 1

Obtain Cooperative's Commitment to the Assessment Process

The governance assessment works best when the entire board and the manager are committed to the process. The following points outline ways to achieve this commitment:

- Meet with the cooperative's board president and manager to discuss:
 - a. the assessment process and expected results;
 - b. the information you will need about the cooperative;
 - c. how much time will be needed;
 - d. who will be involved; and
 - e. the cost of the assessment, if any, to the cooperative.

At that meeting confirm a time when you can meet with the entire board to explain the process and ensure the entire board is committed to participate in it.

- Schedule a meeting with the entire board to:
 - a. thank them for the opportunity to work with them;
 - b. explain the value of identifying their training opportunities;
 - c. describe the assessment process and the importance of their participation; and
 - d. discuss the potential value they will receive from it.

Use the information in ➔ **Appendix 3: Benefits of the Training Needs Assessment** for Directors to explain the assessment process and the advantages directors can gain from participating in it. This could also serve as a handout when first meeting the board president and the manager. We also suggest giving the handout to each director when they participate in the survey.

PLAN STEP 2

Recruit and Train an Assessment Team

The ideal assessment team will consist of individuals who are not part of the cooperative. Team members may be recruited from an organization that supports the cooperative (CDO, apex association, local cooperative or credit union, or local nonprofit); a local government agency; or a local technical school, college or university. The following steps offer ideas for recruiting and training an assessment team.

- Determine how many individuals (interviewers) will be needed to conduct the interviews. A team of 3–5 is suggested, however in cases of resource constraints as few as one individual could implement the entire assessment.
- Determine if there is a need for translating the questionnaires.
- Develop job description(s) and pay rate(s) for interviewers and translators, if required.
- Develop and provide a training program for interviewers. (see ➔ **Appendix 11: Governance Assessment Onboarding slides**) Potential topics include:
 - a. the purpose, goals and scope of the project;
 - b. appropriate interviewing techniques; (see ➔ **Appendix 12: Assessment Interviewing Fundamentals**)
 - c. use of the assessment's interviewing tools; and
 - d. how data needs to be collected and entered into a master dataset.
- Schedule a date, location and facilitator for the interviewer training program. Plan to have a one- to two-day training in a suitable teaching/learning situation. Depending on local requirements, each team member may need to sign an interviewer confidentiality agreement, as well as any translators that are needed. See:
 - ➔ **Appendix 13: Cooperative Governance Interviewer Confidentiality Agreement**
 - ➔ **Appendix 14: Cooperative Governance Translator Confidentiality Agreement**
- Establish accounting systems to ensure salary and expense payment to team members.

Alert!

A cooperative with a governance development stage of one may be serving its members better than a cooperative with a governance development Stage of 3. The stage refers more to a board's maturity and ability to delegate. The stages are designed to help the assessment team use the questionnaire that will help determine the most effective training to offer to an individual board.

PLAN STEP 3 Identify the Board's Development Stage

Remember that the training needs assessment assumes that board training needs change as the board progresses through various development stages. Once conducting the assessment has been approved by the board and management, the next step is to identify which development stage best describes the current board. We have developed different board questionnaires for each of the three development stages described earlier (Stages 1, 2, and 3). Each questionnaire is designed to generate results which best match that board's unique training needs. Thus it is important to be able to identify the board's development stage.

The Board Development Stage Tool (see ➔ **Appendix 5: Board Development Stage Tool**) contains 20 questions which—when answered—generate a score

Feedback from 2017

"In my opinion, it's an educative tool that will help the cooperative do self-assessment on a regular basis. It motivates/alerts the cooperative to improve on their systems. I am sure it would also generate very good results when assessing cooperatives supported by a program/project."
—Uganda Cooperative

between 20 and 59. That score is used to determine the board's development stage. It is best if this tool is completed by an individual who is familiar with the cooperative and can determine the cooperative's development stage objectively. This is usually the assessment leader or someone who is not employed by the cooperative. If needed, however, the assessment leader can be someone from the cooperative who can be neutral and objective. Whoever is chosen to be the assessment leader must be able to work with the manager, board chair, and/or the board administrator to gather the unbiased information needed to complete the Stage Identification. It is important that the information requested in the tool be as accurate as possible, since it will determine the specific questionnaire used to collect data from the directors.

The following steps describe how to identify the board's development stage.

- Fill out the [Appendix 5: Board Development Stage Tool](#) to determine which development stage best applies to the cooperative. Review the possible responses to each question and select the one that best describes the board. You may need to consult representatives of the cooperative

Example: How to fill out the Board Development Stage Tool

Instructions: For each question below, please check **only one box** that best describes the cooperative. More instructions are provided at the end of the set of questions.

Question 1: The cooperative...

- ☐ A. recently submitted registration materials but does not have formal registration at this time
- ☒ B. Is already registered / incorporated
- ☐ C. regularly updates registration and maintains legal compliance.

Question 2: The cooperative...

- ☐ A. has no bylaws
- ☒ B. has bylaws, but seldom refers to them
- ☐ C. actively refers to its bylaws and updates them as needed

Question 3: The membership of the cooperative is best described as:

- ☒ A. a small group of closely associated individuals (e.g., family, tribe members, close friends).
- ☐ B. a larger group of individuals still closely associated.
- ☐ C. many members with greater geographical and cultural differences.

Question 4: The needs (e.g. for a product or market, technical assistance, capital) of the cooperative members are best described as:

- ☐ A. limited and very similar, may be met by the cooperative
- ☐ B. provided by the cooperative
- ☐ C. provided by the cooperative

Question 18: The cooperative's systems are best described as:

- ☐ A. Informal, based on process results
- ☒ B. Informal management reports to board, primarily focused on financial results and internal processes
- ☐ C. Formal written management reports on topics specified by board in policies

Question 20: The cooperative's policy development is most accurately represented as:

- ☒ A. Few, if any, formal policies in place
- ☐ B. Written management policies focus on operational systems
- ☐ C. Written board policies being developed

End of Part 1.

to verify your responses. In the example above, the cooperative is incorporated (Q1), and has bylaws (Q2), but has few policies in place (Q20). In addition, the board is a small group, possibly three to seven directors who are closely related (Q3). They receive informal reports based mostly on financial results (Q19).

- Count each A box, each B box, and each C box. The A boxes will each receive 1 point; the B boxes will each receive 2 points; and the C boxes will each receive 3 points. Once you have counted all the checked boxes and multiplied by either 1, 2, or 3, add those numbers together to obtain a total score. Use the score to identify the board's development stage. In the example on the previous page, two responses to the questions are "A" and three are "B." If these had been the only five questions on the survey, the total score would be 8.

Part Two (2 of 2)

Instructions After answering all of the questions above, count the number of boxes for each of the three categories (A,B,C) and enter below:

☐ A. $2 \times 1 = 2$
☐ B. $3 \times 2 = 6$
☐ C. $0 \times 3 = 0$
 Total score = 8 Sum (X+Y+Z)___

Alert!

If the calculated score is on the borderline between two stages, review the questionnaires for both stages and select the one you think will provide the most useful information for the board given what you know and have learned about them.

- When all the questions are answered and the score has been calculated, use the chart at the bottom of the tool (and shown below) to determine the Development Stage.

Development Stage 1: Creativity/Startup	Development Stage 2: Direction/Establishment	Development Stage 3: Delegation/Institution
20-32	33-46	47-59

PLAN STEP 4

Assign Assessment Tools

Now that you have identified the Board's Development Stage from Step 3 above, become familiar with the appropriate assessment tools for the cooperative's development stage. Each assessment will require a Director questionnaire and a Cooperative Member questionnaire.

In order to identify the assessment tools to use for the Director and Cooperative Member interviews, refer to the table on the next page. Note that the same questionnaire is used for members, regardless of governance development stage. Results from the informal member survey may give the

board ideas about member concerns and may indicate how the Board is viewed by the members.

Development Stage Score	Director Questionnaire to Use	Member Questionnaire to Use
20–32	Stage 1 Director Questionnaire ➔ Appendix 7	Cooperative Member Questionnaire (applicable for all) ➔ Appendix 10
33–46	Stage 2 Director Questionnaire ➔ Appendix 8	
47–59	Stage 3 Director Questionnaire ➔ Appendix 9	

PLAN STEP 5

Plan the Data Collection Process

We recommend that you develop a plan timeline for completing the assessment.³ The plan will help the assessment team have clarity about dates and locations for board and member interviews. This will help keep the assessment team on track for completion and understand how and when their work fits into the project. It will also help the cooperative board and/or manager understand when cooperative members will be asked for feedback and where their interviews will take place. A sample plan is included below.

Example: Data Collection Plan

Location	Interview dates	# Director interview	# Coop member interviews	Interviewer Name
Cooperative Name				
	Monday, May 15			
	Tuesday, May 16			
	Wednesday, May 17			
	Thursday, May 18			
	Friday, May 19			

³It may be important to develop a budget for this assessment. In that case, be sure to consider any transportation, lodging, stipend that is paid to participants, training and compensation for enumerators, etc.

PHASE

3

IMPLEMENT THE GOVERNANCE ASSESSMENT

The assessment leader will be responsible for overseeing the entire assessment process, which includes overseeing data collection, aggregation of the data, and conducting the related analysis. Keep in mind that all director and cooperative member interviews need to take place in a private place where confidential oral interviews can be conducted and where a table and chair are available for a self-guided interview (if necessary – see the last item in “Implement Step 1”). Be sure to have materials on hand (e.g., copies of the explanations of the benefits of the assessment project, questionnaire and consent forms, and pencils). Each Director’s and member’s full, candid, and thoughtful participation in data collection is critical to the ultimate value of the results and the Board’s ultimate interest in participating in the resulting training suggestions.



IMPLEMENT STEP 1

Collect Data from Directors and Manager

The following steps offer guidance on how to collect data from the directors and the cooperative's manager. Note that it is important that all directors and the manager participate to capture all input on the training needs of the group.

- Meet with each director in person and explain the purpose of the assessment. You may want to provide copies of the forms that describe the benefits of the process (see → **Appendix 3: Benefits of the Training Needs Assessment for Directors**).
- Optional: Ask each director to complete an informed consent form⁴, → **Appendix 15: Informed Consent Form**.
- Conduct the interview using the appropriate director questionnaire for the board's development stage (see → **Plan Step 4**).
- Capture the data on the questionnaire. A few notes on data:
 - a. An interviewer can offer to interview a director and record his/her oral responses on the questionnaire or the director can complete the questionnaire in writing with assistance from the interviewer, if needed.
 - b. If the director chooses the self-guided approach, provide him/her with a copy of the appropriate questionnaire, a writing instrument and a place to sit at a table. Ask that the director complete the questionnaire independently in front of you. And be sure to remain close by to respond to any questions that may arise.

Suggested Sample of 30

Note that this does not need to be a strict random sample. If the Board feels they need a statistically significant survey, we suggest they contact a professional survey researcher to lead this effort.

IMPLEMENT STEP 2

Collect Data from Directors and Manager

An important piece of information to complete the governance assessment is the perceptions of a sample of the cooperative's members about how well these members think the cooperative is meeting their needs and how well they think the board of directors is acting in the members' best interests. Ideally, this would be a group of at least 30 members, or all of the members if the total membership is 30 or fewer.

The following steps offer guidance on how to collect data from cooperative members.

⁴An informed consent document is typically used to provide subjects with the information they need to make a decision to volunteer for a research study. Reference: <https://research-compliance.umich.edu/informed-consent-guidelines> (accessed on May 29, 2019)

- Meet with the members selected to participate in the survey—preferably at a time when they have gathered for a member activity—and explain the purpose of the assessment. (See → **Appendix 4: Benefits of the Training Needs Assessment for Cooperative Members**)
- For the members who choose to participate, explain that their responses will be kept completely confidential and that there are no perceived risks to them when they participate in the survey.

Optional: Ask each member to complete → **Appendix 15: Informed Consent Form**.
- Conduct the interview using the Cooperative Member Questionnaire (see → **Plan Step 4** and → **Appendix 10: Cooperative Member Questionnaire**).
- Capture the data on the Cooperative Member Questionnaire A few notes on data collection:
 - a. An interviewer can offer to interview a member and record his/her oral responses on the questionnaire or the member can complete the questionnaire in writing with assistance from the interviewer, if needed.
 - b. If the member chooses the self-guided approach, provide him/her with a copy of the appropriate questionnaire, a writing instrument and a place to sit at a table. Ask that the member complete the questionnaire independently in front of you. And be sure to remain close by to respond to any questions that may arise.
- Thank the member for his/her participation and describe what happens next.

PHASE

4

ANALYZE THE DATA

The steps in this phase provide examples and actions needed in order to collate data, perform analysis to identify trends, and prepare a written report of the assessment results. The assessment leader will be responsible for ensuring that the collected data from directors and cooperative members are accurately collated and aggregated to enable identification of trends from the data analysis. This assumes that the assessment leader has access to computing resources and relevant software such as MS Excel or other data management tool(s). The assessment leader will be responsible for aggregation of individual responses collected. This manual is intentionally silent on exact process steps to accomplish this to enable multiple ways of data aggregation. We provide an example of how the OCDC governance consultant team used MS Excel to aggregate data in the box on the following page.



How to aggregate data using an MS Excel spreadsheet

1. Create a master spreadsheet worksheet tab with all of the questions and possible responses. Be sure that the questions match the Director questionnaire.
2. Make a blank copy of this tab and duplicate this for the number of participants that responded so that each Director's responses are captured in a unique worksheet tab.
3. Create another blank copy of this worksheet and insert a formula for each question which is the sum of responses across all unique worksheets for that particular question and that particular response. Repeat this for all questions. From there, the aggregated worksheet will provide a summary view of the data, aggregated.

See also

➔ [Example of Director Aggregated Data](#)

➔ [Example of Cooperative Member Aggregated Data](#)

ANALYZE STEP 1

Collate and Analyze the Data

Once all the interviews are complete, the information needs to be tabulated and summarized. Being able to summarize the individual responses provides insight into the groups' opinions on governance issues, their level of agreement, and potential opportunities to improve the board's ability to effectively serve member needs. The data summary is the foundation for the cooperative's governance assessment results. Aggregating the data in a spreadsheet will automatically calculate the total board responses to each question in the survey. Note that this section is intentionally limited in direction and guidance given the primary audience of this manual.

➔ [Example of Director Aggregated Data](#)

➔ [Example of Cooperative Member Aggregated Data](#)

ANALYZE STEP 2

Prepare a Written Report of Assessment Results

With the data analysis complete, the final step in the analysis is to prepare a written report of the survey findings. This will be the report you will share

Alert!

It may be the situation where the cooperative's General Manager and/or Board Chair requires a "preview" of findings prior to completing the report of findings. In this situation, all care should be taken to encourage full and complete sharing of information in the report during the "preview" of the report.

with the cooperative and other interested individuals and organizations. It will also be the foundation for any oral presentations you give to the cooperative's directors, management, and possible others.

The report should include two parts:

- a summary which presents key findings and can be a "stand alone" one page document (*See a sample summary at the beginning of ➔ **Appendix 18 Cooperative Governance Assessment Results & Analysis***); and
- a full report which includes a more complete analysis and data for both director and member data sets. A sample report is shown in ➔ **Appendix 18**. It is recommended that a second person carefully review the report for consistency, typos and clarity. It is ideal if that person has little to no familiarity with the governance assessment process so that a neutral perspective is captured.

The first section of the report describes the Directors' responses to each of the survey questions, with an overall estimation of the level of agreement among the directors. For example, "Five of the six Directors of the [insert name of Cooperative] were interviewed on [insert Day, Month, Year]. Overall there was a moderately high level of agreement among the Directors." Then responses to each question are listed in groups. In the sample report in Appendix 18 the groups were: the questions where all directors agreed; the statements where all directors agreed but one who was not sure; the questions where there was significant disagreement and a listing of the remaining questions that did not fit into a group.

As mentioned earlier, each of the survey questions relates directly to a specific board characteristic. The second section of the report relates the results of each question to a board characteristic, lists which questions are linked to which characteristic, comments on the responses and provides suggestions for possible training or development opportunities the directors could consider. For example, the sample report in Appendix 18 describes responses to the Stage 2 questions related to membership as follows:

Example: Responses to Stage 2 membership questions

19. Membership (Q9, Q10)

Comments: Questions 9 and 10 consider how well the board is keeping members informed about the cooperative's affairs and how often the board seeks their input on products and services the members would like to receive from the cooperative. All five directors felt the board is communicating regularly with the membership and that member input is sought and given priority in planning at least once a year.

Training recommendation: If the

...and that member input is sought given priority in planning at least once a year.

Training recommendation: If the board is satisfied with their member relations activities, this area may not need attention at the present time. However it may be helpful to review the cooperative's member communication strategies. Items to consider include transparency regarding the board's activities and the cooperative's financial status; innovations in communications methods and opportunities to provide member education.

The following tables identify the board characteristic associated with each question and suggestions for training topics to recommend to the board. There is a table for each development stage. Notice that the comments from Appendix 18 on membership shown above expanded on the training options suggested in the table. Remember that these tables are broad guidelines. Readers are encouraged to expand on the suggested options based on their training experience and knowledge of the cooperative.

Director Development Stage 1 questions: How to interpret results

	Governance Framework Rationale	Options for Training Protocol
Q1	Product	Cooperative basics, obtaining member input
Q2	Board focus	Basic operations, market awareness, board responsibilities
Q3	Board focus	Organizational structure, basic legal requirements, legal forms, member rights
Q4	Decision making	Decision making styles (consensus, majority)
Q 5	Board culture	Individual director responsibilities
Q 6	Membership	Conflict of interest
Q 7	Membership	Member input, duty of care
Q 8	Membership	Cooperative basics, democratic structure, incorporation, bylaws
Q 9	Organization Culture	Strategic planning, mission development
Q 10	Organization Growth	Director responsibilities
Q 11	Board Growth Issues	Development stages, transition to next stage
Q 12	Board Growth Issues	Board-management relations
Q 13	Organization Systems	Legal structure/compliance requirements
Q 14	Organization Systems	Strategic planning, policy development
Q 15	Board Composition	Board development, board evaluation
Q 16	Board Composition	Cooperative basics
Q 17	Director Attributes	Board development

	Governance Framework Rationale	Options for Training Protocol
Q 18	Director Attributes	Board development
Q 19	Committee Structure	Board structure and board operations
Q 20	Board Planning	Basic financial statements, planning, monitoring, compliance
Q 21	Board Planning	Strategic planning
Q 22	Financial resources	Basic financial statements
Q 23	Financial resources	Board responsibilities
Q 24	Financial resources	Basic financial statements, monitoring
Q 25	NA	General guidance

Director Development Stage 2 questions: How to interpret results
➔ Cooperative Governance Assessment Report –
Stage 2 Development Stage

	Governance Framework Rationale	Options for Training Protocol
Q1	Board focus	Strategic planning, implications of growth
Q2	Product	Strategic planning, implications of growth
Q3	Board focus	Strategic planning
Q4	Board focus	Board responsibilities, agenda planning
Q 5	Board focus	Board development
Q 6	Board focus	Board responsibilities and development
Q 7	Board Culture	Conflict of interest
Q 8	Board Culture	Individual director responsibilities
Q 9	Membership	Member reporting and input, transparency
Q 10	Membership	Member input
Q 11	Organization Systems	Board and management policy development
Q 12	Director Attributes	Board structure/bylaws
Q 13	Director Attributes	Board evaluation, development
Q 14	Director Attributes	Board development
Q 15	Director Attributes	Board development
Q 16	Committees	Decision making (consensus-majority)

	Governance Framework Rationale	Options for Training Protocol
Q 17	Board Planning	Short-term strategic planning,
Q 18	Board Planning	Member input
Q 19	Staffing	Board/management relations
Q 20	Staffing	Board/management relations
Q 21	Financial Resources	Financial monitoring
Q 22	Financial Resources	Intermediate financial management
Q 23	NA	General guidance

Director Development Stage 3 questions: How to interpret results

	Governance Framework Rationale	Options for Training Protocol
Q1	Product	Strategic planning, implications of growth
Q2	Leadership	Conflict of interest
Q3	Board Focus	Strategic planning, mission development
Q4	Board Focus	Strategic planning, mission development
Q 5	Board Focus	Policy development, human resources
Q 6	Decision making	Decision making (consensus-majority)
Q 7	Board Culture	Board-management relations, Board responsibilities
Q 8	Board Culture	Strategic planning, board development
Q 9	Board Culture	Strategic planning, board development
Q 10	Board Culture	Strategic planning, board development
Q 11	Membership	Member input
Q 12	Organization Culture	Policy development, communication, transparency
Q 13	Organization Culture	Board-management relations, management evaluation
Q 14	Organization Culture	Financial management, monitoring
Q 15	Director Attributes	Board evaluation
Q 16	Director Attributes	Board evaluation
Q 17	Committee Structure	Board structure
Q 18	Staffing	Compliance
Q 19	Staffing	Human resources, policy development
Q 20	Staffing	Board-management relations

	Governance Framework Rationale	Options for Training Protocol
Q 21	Financial resources	Financial management, monitoring
Q 22	Financial resources	Financial management, monitoring, compliance
Q 23	Financial resources	Financial management, financial policies, monitoring
Q 24	Financial resources	Compliance, financial transparency
Q 25	NA	General guidance

The third section of the report uses a similar process to summarize the cooperative members' responses to the Member Survey. Introduce this section with general comments about the number of members who participated in the survey, the level of agreement with the statements in the survey among the members and a general statement about the information that follows.

Example: Sample Report introduction

Member Survey Results & Analysis

Overall comments

Eighteen members (about 5%) participated in the Cooperative Member Survey. None of the questions generated agreement from all of the members interviewed. Areas and strength of agreement are described below.

Following the introduction, each question is provided with the rationale for the question, a summary of the responses to each question, and a recommendation for training related to the responses. An example of this reporting follows.

Example: Sample of the reporting

Q4: Indicates whether the respondent is at least somewhat involved in learning about the performance of the cooperative and actively participates in electing the board.

- Twelve of the respondents attended the last annual meeting and six did not.

Q5: This question asked respondents to give an example of a recent Board decision and how they felt about it. The question indicates members' satisfaction with the board's decisions. Five members didn't respond to the question, and two members answered none. Specific responses are listed below:

- Disciplinary actions towards a worker
- Not that I can remember
- Dividends, find missing cattle
- Hearing of a woman, it never went well.
- Purchases to be signed off by at least 3 members of board
- Relieve a troublesome worker
- Searching for lost cattle and calves

The question rationales and suggested options for director training are shown in the table below.

Cooperative Member questions: How to interpret results

	Governance Framework Rationale	Options for Training Protocol
Q1	Indicates the extent to which members impact the choice of directors, whether they have contested elections, term limits, and diversity of board members.	Training potential: transparent and open elections
Q2	Indicates the extent to which nominees are selected without bias or government interference.	Training potential: transparent and open elections
Q3	Indicates whether members feel confident that their best interests are being served by competent directors.	Training potential: conflict of interest, self-dealing
Q4	Indicates whether the respondent is at least somewhat involved in learning about the performance of the cooperative and actively participates in electing the board.	Training potential: Importance of annual meeting, methods to increase attendance, content
Q5	To understand whether members are satisfied with Board decisions that have been made.	Training potential: Decision making methods; information considered; communication to members.
Q6	Indicates the extent to which members believe the board is seeking out and responding to their needs and opinions.	Training potential: methods to get and analyze member input
Q7	Indicates to what extent the board has the capacity to govern the co-op and may indicate where the directors may benefit from training.	Training potential: industry conditions, responsibilities of boards and board members, decision making, policy development, board management relations....
Q8	To find out if members are receiving financial information and what quality.	Training potential: financial accountability, transparency, communication to members
Q9	Provides insight to help answer whether the Board is providing sufficient communications to the members.	Training potential: communication to members balanced with confidentiality.
Q10	To help the Board identify what information members would like to have.	Training potential: possible need for member education; communication to members
Q11	To capture feedback from the member on overall Board performance not captured in previous questions.	Training potential: opportunities for increased director training

PHASE

5

REPORT THE
GOVERNANCE
ASSESSMENT
RESULTS

Once the data are collected and analyzed, the final phase of the process is to report the results to the Board of Directors, including a suggested plan of action for carrying out the recommendations.



REPORT STEP 1

Draft a Plan of Action

A key reason to conduct a governance assessment is to identify potential training opportunities that will meet an individual cooperative board's unique training needs. Keep in mind that a plan of action should also include findings from the Member Survey. For example, member perceptions about the board may provide insight into services and/or products that the cooperative might investigate.

The assessment leader should analyze key findings from the assessment report to form the basis of a plan of action. The plan is based on the highest priority training areas that surfaced in the director and member interviews. The action plan should relate to the survey results and include both short- (less than 6 months) and longer-term (1–2 years) strategies for board improvement. Including a plan to measure and track progress towards these goals will be important.

Preparing the action plan will have the most impact if the presenter takes time to understand the cooperative's recent history. This might include newly introduced products and/or services, significant issues that are currently facing the board, and topics that have been presented at board training events in the last few years. Interviewing a few existing Directors and the manager and/or conducting a short document review (e.g., annual reports, board meeting minutes, financial documents) may be helpful.

Example: ➔ Appendix 19: Rwanda Plan of Action

Cooperative Name	Development Stage (2017 assessment)	OCDC key Governance recommendations (2017 assessment)	Implementation update (Feb 2018)
1	Stage 2	<ul style="list-style-type: none"> - Strategic plan development - Board roles and responsibilities improvement - Increase understanding in Financial management - Improve member relations - Review communication strategies/policy - Board development towards orderly succession 	<ul style="list-style-type: none"> - Elected a new board in Nov 2017 - Revised manager's duties/job description; now in the process of recruiting a more competent - Revised the governance structure and established zones and sites, to improve member communication/relations and smooth operations - Revisited member recruitment/retention strategy, and resulted in more members recruited (from 704 to 2500 members)
2	Stage 1	<ul style="list-style-type: none"> - Improve Marketing and Product development - Staffing and board management relations - Ensure long-term Planning - Financial management/budgeting 	<ul style="list-style-type: none"> - Board trained in coop governance, and established zones-aimed at improving member cohesion and communication - Cooperative set their vision and mission - Created a marketing committee, in charge of seeking markets for members' supply
3	Stage 1	<ul style="list-style-type: none"> - Member relations improvement - Improve understanding of Board roles and responsibilities - Board Planning (strategic, business planning...) - Improve understanding in Financial management 	<ul style="list-style-type: none"> - Developed a new membership register, to identify active membership base and associated supply capacities. - Coop vision, mission and goals revisited and communicated to the members

REPORT STEP 2

Present Your Report to the Board

When the written report and the plan of action are complete, the final step is to share the findings and training suggestions with the cooperative's board and manager. This is most effective if you convene an in-person meeting and hold a facilitated discussion on the results and recommendations. A regularly scheduled board meeting may work well, or the Board may want to schedule a special meeting to discuss the report.

Provide enough copies of the report and action plan for each Director and the manager so they can review the materials prior to the meeting. If appropriate, create a slide presentation to summarize the material you are presenting. A sample presentation is provided in [Appendix 20: Template of Slides for Governance Assessment Results](#).

Once the Board and management have discussed the report and developed an action plan, they should consider how to share this information with the membership.





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