

Effective Co-op Boards

Taking Your Cooperative to the Next Level

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Professor and Director

September 17, 2025

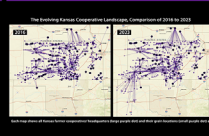
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Arthur Capper Cooperative Center

- Established in 1984
- Public-Private Partnership between the Kansas Cooperative Council and the Department of Agricultural Economics at Kansas State University
- Director: Dr. Brian Briggeman, Professor, Department of Agricultural Economics, KSU

TEACHING	RESEARCH	OUTREACH
		
Cooperative Management (AGEC 470), Online Course established 2016 Agricultural Finance (AGEC 513) Cooperative Guest Lectures Cooperative Case Studies Cooperative Scholarships Advising	Graduate Student Funding Graduate Student Research CoBank Research Fellows Mapping Project Fact Sheet Series Journal Articles Papers ProForma Financial Tool	Cooperative Education Programs - K-State Symposium on Cooperative Issues - Emerging Leaders - Executive Education Cooperative Board Retreats Cooperative Annual Meetings Presentations Conference Papers

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Electing a board of directors

Herchenbach, J.S., B.C. Briggeman, J.S. Bergtold, A. Shanoyan, S.A. Low, and B. Miller. 2023 "A Qualitative Assessment of Farmer Director Skills in Agricultural Cooperatives." *International Food and Agribusiness Management Review*

https://brill.com/view/journals/ifam/26/4/article-p655_4.pdf

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What qualities or behaviors do you feel co-op boards should look for in potential directors?



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What do directors struggle the most to understand about serving on a farmer cooperative board of directors?



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What skills do directors need in order to be engaged and knowledgeable?



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11 important skills for every farmer cooperative director

Cooperative Finance	Leadership
Cooperative Governance and Policy	Teamwork
Communication	Listening
Time Management	Networking
Understand Current Economic and Industry Conditions	Ask Critical and Constructive Questions
Strategic Planning	

Skills were identified via (1) personal interviews with Kansas farmer directors and CEOs/GMs; and (2) literature review

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What makes a co-op board effective?

Adapted from Kansas Cooperative Council's Director Development Program

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#1 Board Culture

- Trust
- Be honest and diligent
- Fiduciary responsibility
- Open discussion / Open-minded / Listen
- Majority rules, minority falls in line
- Team
- Curb emotion

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What makes a co-op board meeting effective?

Adapted from Kansas Cooperative Council's Director Development Program

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Defining Success

Determine the meeting purpose



Success
1.5 Miles

Meets the needs of the board

Board meetings are to inform the board and provide guidance and direction. It is also a tool to make decisions.

Allows time to address issues

Are the important issues getting the attention they need or is the air getting sucked out of the room by less important issues.

Ends with consensus

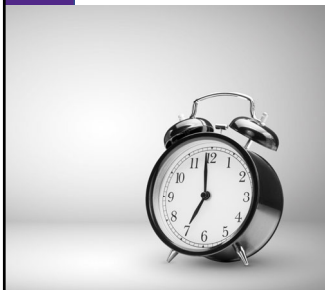
At the end of the meeting, even if there is disagreement, is everyone bought in to the solution or understands that the solution was a board decision and to support it outside of the board room.

Best Practices

What has worked in your board room?

Who Is In The Room

Board and GM/CEO
Key staff
Service providers



Time/Date

Standing meeting?
Adjust as needed?
Free for all?

Strategy Vs Ops

How much time is
spent focusing on the
future vs the present?



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Director Roles and Responsibilities

- First and foremost, establish a solid 'Board Culture' to be an effective board (see early slide)
- Be prepared, read the materials beforehand
- Participates in discussion/decisions
- Leverage strategic plan or business plan for guidance

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CEO/Manager Role and Responsibilities

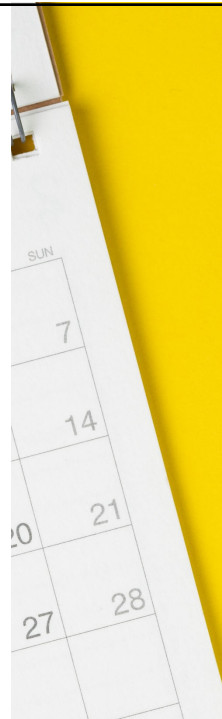
- Is prepared for strategic discussion about the cooperative business
- Gives clear recommendations
- Provides board with necessary information in advance
- Works with Chair to capture action items and take-aways
- Keep board informed on action item status



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Agenda

- Who creates the agenda?
- Lead with the vision/mission
- Start with strategic objectives or business objectives
- Then, move to the most difficult discussion items (upfront)
 - Give agenda items a time frame
- Include time for new business
- Identify items on the agenda that require a vote...when to vote?
 - Bylaws give guidance, significant items that impact business objectives, financial impact, etc.
- Consider adopting a consent agenda for non-controversial items



Consent Agenda

Another Tool in the Toolbox

• A consent agenda groups routine meeting discussion points into a single agenda item. The grouped items can be approved in one action, rather than through the filing of multiple motions.

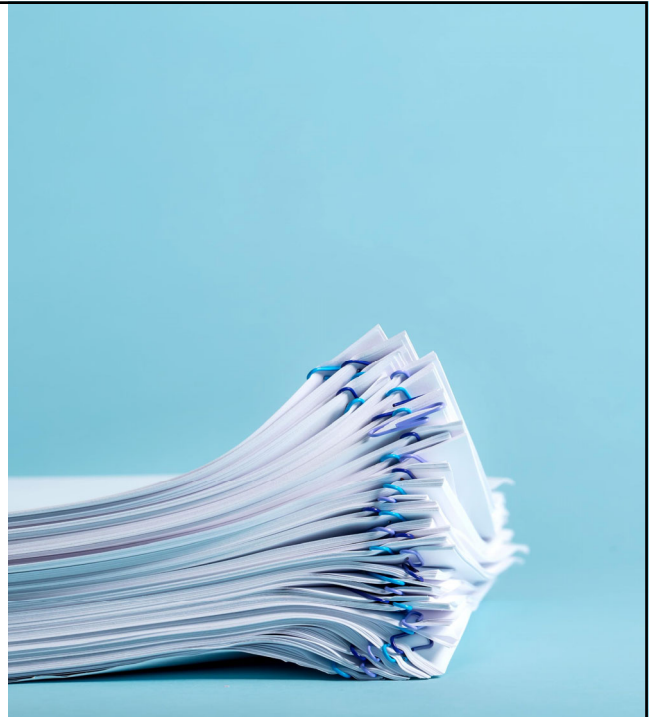
Topics of a consent agenda

- Procedural decisions
- Non-controversial issues that don't require discussion
- Member approvals
- Previous meetings' minutes



Pre-Meeting Information

- Send out at least 3 days before meeting
- Include agenda and all back-up resources for meeting
 - Financials
 - Quotes
 - Etc.
- Action items and status



Meeting Time

- Build board meetings that work for your board members
 - Standing meetings allow for personal preparation
- Sometimes it rains...or it doesn't
 - Be flexible
- Start and end on-time



Minutes



- It is the secretary's role to take minutes
 - Having a structured agenda helps in the minute taking process
- What goes in the minutes? How detailed should they be?
 - Summarize discussion
 - Capture action items
 - Votes (Yes, No, and Abstain)
 - Business judgement rule

Chairman Roles and Responsibilities

- Ask open-ended questions that are for the entire board...not just an individual
- Do not dominate discussion
- Engage 'quiet' members
- Listen and be patient
- Keep conversation focused on the task at hand
- Shutdown destructive talk



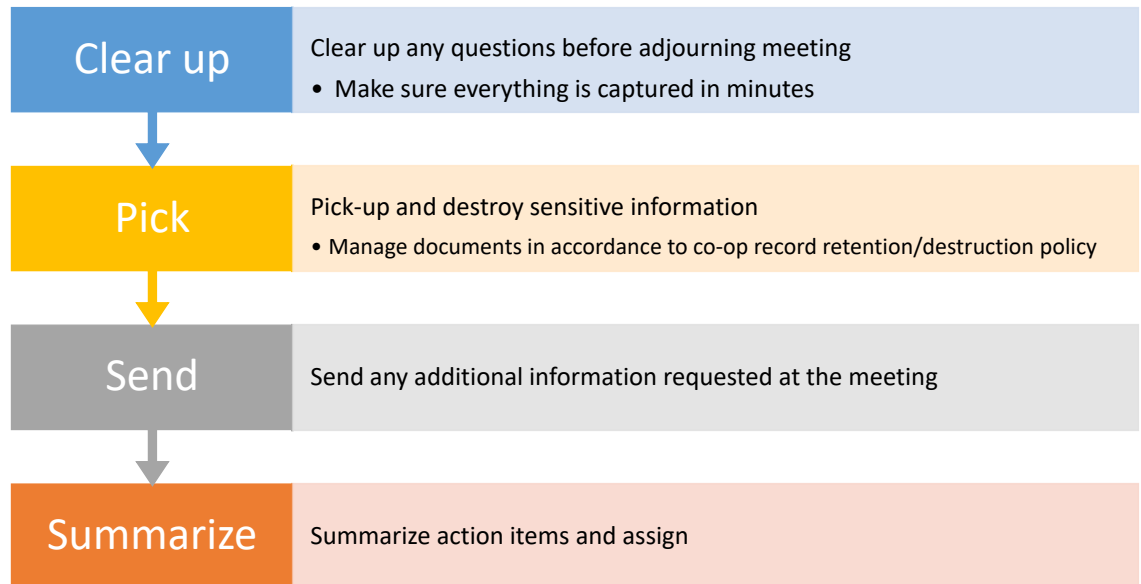
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Executive Session

- Use sensibly
 - Management evaluation and compensation
 - CEO/Manager Ethics issues
- If you are going to have a team you should not shut out part of the players
- Summarize discussion and capture summary in notes

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Post Meeting



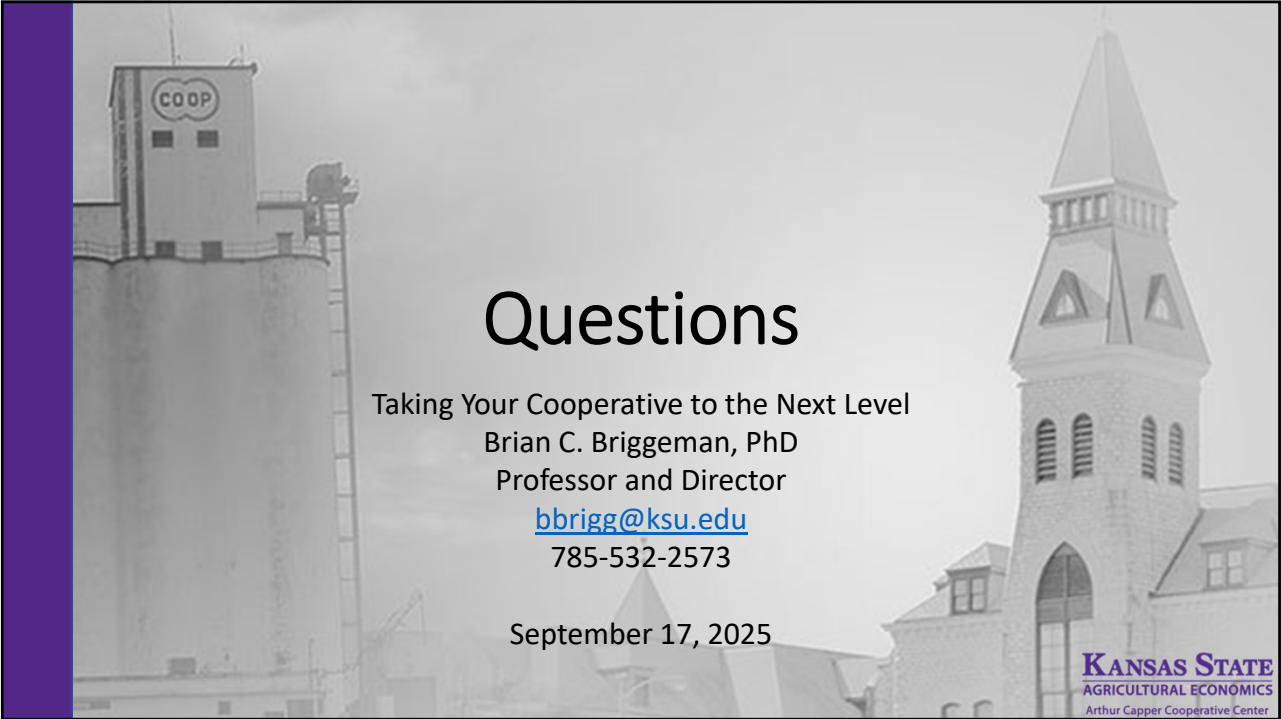
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Summary

- Recognize that not every situation will go your way
 - Support the board decision as a whole
- Focus on what is best for the cooperative
 - Business vs member service
- Approach board decisions with a strategic lens
- Network with other cooperative directors and take advantage of continued training
- Believe in and support your co-op

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Questions

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