Strategic Leadership Is a Cooperative Effort

Making co-op Ends come alive in your community

BY ART SHERWOOD

Vision without action is merely a dream.
Action without vision just passes the time.
Vision with action can change the world.
—Joel Barker, *The Futurist*

If I went into your co-op and asked a kid working in produce or a member-owner in line, "What is the purpose of your co-op and what are you doing about it?"…would I get a blank stare?

Cooperative leaders across the country are actively taking on the challenge of building forward-thinking strategy that turns into real impact in our communities. Cooperative strategic leadership has been identified as one of the Four Pillars of Cooperative Governance (a model introduced in *CG* #171, March–April 2014). It is critical to the success of our cooperatives and the impact we desire to make. And a fundamental idea is that everyone has a role in the co-op's strategy—from owners and board to general manager and staff. This is not necessarily easy. But it is much more powerful to build alignment through participation up front than to try to force it on the back end.

Over the last several years, I have had the opportunity to work with some of our amazing co-ops on building a high-participation and inclusive strategic process named the Cooperative Strategic Leadership Ends-to-Ends Strategic Process (see Figure 1). It starts with an end in mind, moves through planning and action, and closes the loop with robust accountability reporting. All along, it tells the story of the co-op as hero in our communities.

Here, I will walk you down this path through sharing the stories of how some of your fellow co-op leaders made this process, and therefore the Ends, come alive in their communities. Through this, I hope to illustrate the benefits of using such a process including alignment around meaningful direction and actions, purposeful participation, healthier teaming relationships, effective empowerment and accountability, and ultimately having impact. You too can make this process come alive.

Begin with the Ends in mind*

Stephen Covey taught to begin with the end in mind. That is exactly what happened when Viroqua Food Co-op in Wisconsin kicked off its multi-year strategic process. The board sponsored a Community Conversation and invited co-op owners, staff, and Viroqua community members (including the mayor) to engage in an energizing and safe strategic conversation about the co-op's impact in the past and present and the vision of its future in the community. Building on this intentional understanding of owner values, the board proceeded to go through a process of "owning the Ends," examining whether the current strategic direction (in their case, Ends policy) still captured the views of the stakeholders for whom the co-op exists and the benefits to be created for them. They decided no changes were needed—all was good. It has been a huge success, and the current board, which did not write the original policy, now fully owns them and is strongly aligned with the general manager and management team.

Identifying the promise

From there the Viroqua co-op's board delegated taking things forward to the general manager, Jan Rasikas. Jan worked with her management team (who invited board members to participate) in a process to envision the future of the co-op in 2020 through a series of safe, strategic conversations. From this vision statement, the co-op leadership extracted key themes that met the criteria of being consistent with the board's strategic direction (Ends Policy), were strategically sound (could differentiate the co-op in the market place), and had the potential to inspire. These themes are strategic differentiators or promises made by the co-op, expressed as value to be created. Everyone's excitement is surging toward the future.

This vision process is designed to provide opportunities for high levels of meaningful participation. When Pam Mehnert at Outpost in Milwaukee led the process, she took the vision statement on the staff road with the "Ed and Pam Show." In a series of meetings, Pam (general manager) and Ed (operations manager) engaged over 200 employees with the draft vision statement, eliciting their thoughts and building the conversation and alignment in a way that connected to people's values individually.

The result was five key strategic themes, dubbed Outpost's "High Five" vision of the future, including:

- Lively neighborhood markets
- Dynamic local food systems
- Sustainable solutions
- Strong community partners
- Amazing places to work.

They promise that by the time they are successful in 2022, there will be high fives all around!

Making it happen

Pam, Jan, and their teams did not stop there. They started to take the themes that originated from the Ends and integrated them into the planning of the organization.

At Lakewinds Co-op in Minnesota, General Manager Dale Woodbeck is in the process of plucking the low-hanging fruit in the first year of integrating their strategic themes into the planning. He is simultaneously working to build management skills in multi-year planning at all levels in the co-op. This not only takes commitment, it takes building next-level strategic planning skills for all. And "all" means all, because it takes the entire co-op to make it

** It is worth noting that a co-op does not need to be using Policy Governance to begin with the Ends in mind. Long before I knew of PG, I was teaching Big Strategic Direction as including key stakeholders and value creation. This is foundational strategic material.*

Cooperative Strategic Leadership: Ends-to-Ends Process

happen. Through a series of facilitated retreats, the Lakewinds board and management have participated together and created a backbone of alignment, setting their co-op up for success.

Building alignment at Viroqua, Outpost, and Lakewinds is an essential ingredient for moving forward to intentional action. It is of course not enough to plan—we must act.

At Food Front in Portland, Ore., the board and management have been working with this strategic planning process to help position their co-op for success in one of the most competitive natural food environments in the country. At its 2014 top leadership team retreat, we reviewed the Ends-to-Ends process that Food Front strategic leaders have used over the past several years. The progress has been remarkable, ranging from a store remodel to revitalization of marketing and solidifying their foundations of governance. All agreed there is much more to do: specifically, action around their themes and implementing the Four Pillars of Cooperative Governance, including solidifying teaming and accountable empowerment and taking cooperative democracy forward as the future key strategic differentiator.

Reporting and telling the story

While Food Front is making progress on the West Coast, Neighborhood Co-op, located in beautiful southern Illinois, is not sitting still either. General Manager Francis Murphy led his team in turning the board strategic direction into action by creating three-year strategic plans, including improving current operations and investigating the feasibility of cooperative expansion in a limited market. From finalizing the employee 401K retirement plan to continuing to increase sales of local foods, Neighborhood has been taking action.

In addition, Murphy took on the challenge of building a robust accountability system regarding the Ends, and with the entire top leadership team systematically set out to tell the cooperative story. It makes the co-op looks mighty good reporting a 36 percent increase in local food sales, and telling stories from partnering with fellow co-op Murdale True-Value in a community food drive to giving nutrition presentations at the Boys and Girls Club.

Starting hard and finishing easy

Southern Illinois is a great place to rock climb. When I used to take students there, I would teach them a knot called the double figure-8, which attached your rope to your harness (important!). This was a knot that could be tied two ways: one where you should stick the pointy end of the rope through a tight hole (hard) and then through a big one (easy)—although it could be done the other way around. Would you do the difficult work up front of starting it off right, or take the easy way and just wait for the consequences later? The reality is that starting off hard leads to a stronger knot that is much easier to get out later—everything is in parallel and aligned. You paid the price if you did not heed this advice in frustration and the challenge of getting out of the knot you got yourself into.

This is true of the strategic process as well. It is vital, since it links the cooperative to the values of the ownership and community. If the hard steps of building alignment and participation up front are done, it is so much easier later on. All are in parallel and aligned.

At Neighborhood, we experienced this with our most recent top leadership team retreat. Francis was presenting on the strategic themes and plans ahead, showing how they were ▶

TOWARD WHAT ENDS?

If the hard work of building alignment and participation up front are done, it is much easier later on.

◀ related to what was a fairly lengthy set of Ends. One of the board leaders said, "Why don't we just make the wording consistent with what the management team has written? It will strengthen our alignment and ability to turn this into good strategy." An hour later, it was done. No hand wringing, no fear. And the lucky folks of southern Illinois will have:

- A more engaged, vibrant community focused on local sustainability
- Access to meaningful products and services
- A model of cooperatively-owned and profitable business
- An increased understanding of food systems.

Neighborhood's Ends: that is alignment. That is excellence in participation. That is effective cooperative strategic leadership.

My vision

I have to admit, I have a vision in all this. Just imagine if every person who participated in our cooperatives could articulate and realize a meaningful contribution. Imagine that! It would be a game-changer: everyone participating in strategic leadership. If our owners, boards, managers, and staff could understand how the co-op connects to what is important to them and were empowered to participate in meaningful ways, we could do anything. I envision being able to walk into any co-op in the country, ask the produce worker or member-owner what the purpose of their co-op is and how they personally contributed to that purpose, and getting the response, "Hey, I'm glad youu asked…" ■

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General Manager
Davis Food Co-op, Davis, Calif.

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The Davis Food Co-op offers a competitive wage and benefits package, dependent on experience.

To apply for or inquire about the GM position, please send a cover letter and résumé with three professional references to GMsearch@davisfood.coop. Candidate screening will begin May 19, 2014.

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