

COMPETENCIES		BOARD KEY BEHAVIORS	BOARD CHAIR KEY BEHAVIORS
<b>Governance Structures and Practices</b> Ensures the practice of good governance.	<b>Protocol and Practices -</b> Engages in activities that support the board in determining its own priorities and information needs.	<ul style="list-style-type: none"> <li>Engages in civil, respectful and constructive dialogue with fellow board members, the CEO, staff and other agents of the board.</li> <li>Regularly participates in board discussions.</li> <li>Contributes items to the board agenda when appropriate.</li> <li>Applies the seven cooperative principles to decision-making and interactions with memberthip.</li> <li>Recognizes the purpose and value of parliamentary procedure.</li> <li>Engages in strategic discussions rather than operational ones.</li> <li>Links the concept of enterprise risk management with the board's strategic planning process.</li> </ul>	<ul style="list-style-type: none"> <li>Leads the board in its governance functions.</li> <li>Understands and supports the infrastructure of governance operations.</li> <li>Keeps the board focused on the board agenda.</li> <li>Works to ensure a common understanding among directors of the cooperative's goals and strategies and guides the board to work together to achieve those goals.</li> <li>Ensures civil, respectful and constructive dialogue with fellow board members, the CEO, staff and other agents of the board.</li> <li>Enforces the cooperatives policies, bylaws, legal practices, and code of ethics.</li> <li>Ensures regular review of governance policies, practices, legal requirements, and code of conduct.</li> <li>Ensures recruiting, orienting, and developing new board members.</li> <li>Ensures proper use of parliamentary procedure.</li> <li>Ensures the board's fulfillment of risk oversight responsibility.</li> <li>Ensures a clear charter is drafted for all board committees.</li> </ul>
	<b>Policy Development</b> Establishes policies that provides guidance and sets expectations for performance.	<ul style="list-style-type: none"> <li>Demonstrates familiarity with the cooperative's governing policies.</li> <li>Distinguishes between governing and operating policies.</li> <li>Recognizes the importance of regular policy review in light of changing technology, regulations, legal requirements, member preferences, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Ensures drafting and revision of policies that feature brevity and clarity without legal jargon.</li> <li>In collaboration withthe cooperative's attorney, ensures policies are not in conflict with articles of incorporation, bylaws, state and federal laws.</li> <li>Ensures regular policy review in light of changing technology, regulations, legal requirements, member preferences, etc.</li> </ul>
	<b>Board Accountability</b> Monitors board operations and takes responsibility for board actions and results.	<ul style="list-style-type: none"> <li>Recognizes the board's responsibility to oversee its own performance.</li> <li>Maintains confidentiality of boardroom deliberations.</li> <li>Demonstrates ethical behavior and legal compliance.</li> <li>Recognizes the purpose of basic parliamentary procedure.</li> <li>Recognizes that the board provides goals and parameters for results, but is not involved with the specific ways they are being achieved.</li> <li>Recognizes the value of diversity of age, race, gender, and thought in the composition of the board and the recruiting of director candidates.</li> </ul>	<ul style="list-style-type: none"> <li>Creates board agenda in collaboration with the CEO.</li> <li>Encourages diversity of age, race, gender, and thought in the composition of the board and the recruiting of director candidates.</li> <li>Ensures regular evaluation of board performance.</li> <li>Demonstrates an appropriate level of leadership to motivate director participation in board discussions.</li> <li>Demonstrates the ability to facilitate discussions to consensus.</li> <li>Enforces rules of decorum are adhered to in the boardroom.</li> <li>Coordinates a process for board self-evaluation.</li> <li>Demonstrates knowledge of basic parliamentary procedures for debating and voting motions.</li> <li>Ensures implementation of improvements identified in the board performance evaluation process.</li> <li>Ensures ongoing identification and recruiting of potential board candidates.</li> <li>Ensures the right results are being achieved, and that the board is not involved with the specific ways they are being achieved.</li> </ul>
	<b>Board/Manager Relationship</b> Builds a civil, constructive, mutually respectful relationship with the CEO.	<ul style="list-style-type: none"> <li>Asks questions and requests information of management to fulfill risk oversight responsibilities.</li> <li>Recognizes the roles and responsibilities of board officers.</li> <li>Distinguishes between the board's role and that of the CEO.</li> <li>Applies appropriate processes and tools for appraisal and compensation management.</li> <li>Maintains a "healthy skepticism" of management proposals.</li> </ul>	<ul style="list-style-type: none"> <li>Ensures regular feedback to and evaluation of the CEO.</li> <li>Serves as the point of contact for board members on requests for information from management.</li> <li>Ensures the creation of a "delegation of authority" policy (job description) for the CEO specifying the board's expectations for what roles have been delegated to the CEO, as well as the cooperative's culture and values.</li> <li>Ensures that the board speaks with "one voice" to the CEO.</li> <li>Ensures that directors and officers understand their respective roles.</li> <li>Acts as a sounding board for the CEO regarding emerging issues, strategies or potential problems.</li> <li>Ensures that the CEO performance criteria and compensation are aligned with the strategic plan and key objectives.</li> <li>Initiates and oversees the board performance assessment and CEO appraisal processes.</li> </ul>

COMPETENCIES		BOARD KEY BEHAVIORS	BOARD CHAIR KEY BEHAVIORS
<b>Vision and Strategic Oversight</b> Executes board oversight responsibilities.	<b>Analytical Thinking and Decision Making</b> Thinks systematically, conceptually, and analytically to determine effective solutions.	<ul style="list-style-type: none"> <li>• Performs due diligence on issues important to the long-term success of the co-op.</li> <li>• Demonstrates ability to analyze reports and formulate questions on infon provided.</li> <li>• Maintains awareness of the organization's values and goals while engaged in discussion regarding actions or decisions.</li> <li>• Listens to the perspectives of others in the analysis of options.</li> <li>• Exercises prudent business judgment in making decisions, that is, acts on an informed basis, in good faith and with the honest belief that the decision is in the best interests of the cooperative.</li> <li>• Avoids jumpin to conclusions or making snap judgements based on personal bias, historical solutions, or narrow perspectives.</li> </ul>	<ul style="list-style-type: none"> <li>• Moves the board towards consensus.</li> <li>• Holds self and others accountable to the same standards of analysis, results, and consequences.</li> <li>• Focuses on arriving at a specific, actionable, clearly formulated decisions.</li> <li>• Ensures each director has opportunity to contribute his/her ideas and analysis, wisdom and experience to discussion.</li> <li>• Ensures discussions are made in a timely manner.</li> </ul>
	<b>Strategic Planning</b> Engages in strategic planning that contributes to the direction, core values and goals of the cooperative.	<ul style="list-style-type: none"> <li>• Recognizes the difference between strategic and tactical decisions.</li> <li>• Recognizes the board's role in thinking strategically about the cooperative's future.</li> <li>• Actively engages in the strategic planning process.</li> <li>• Seeks to understand the cooperative's business and operating environment to contribute to the strategic discussions.</li> <li>• Formulates specific, measurable, achievable, results-focused, &amp; time-bound goals.</li> <li>• Brings independent and objective thinking to strategic decisions.</li> <li>• Demonstrates the ability to understand issues from different perspectives.</li> <li>• Analyzes the cooperative's strengths, weaknesses, opportunities, and threats.</li> <li>• Balances short-term needs with focus on long-term and changes to industry, technology and membership demographics.</li> </ul>	<ul style="list-style-type: none"> <li>• Keeps board work focused on the cooperative's mission, vision, and strategic direction.</li> <li>• Keeps the board in focusing on strategy and risks.</li> <li>• Leads the board in the identification and common understanding of measures of success for each strategic initiative.</li> <li>• Ensures participation in the strategic planning process by all directors.</li> </ul>
	<b>Risk Management and Oversight</b> Forecasts and evaluates a variety risks and identifies strategies to avoid or mitigate their impact.	<ul style="list-style-type: none"> <li>• Recognizes the value and benefits of enterprise risk management.</li> <li>• Applies the steps in enterprise risk management (ERM) and how to prioritize risks.</li> <li>• Defines risk appetite and risk tolerance; Distinguishes the board's oversight role from management's role in enterprise risk management.</li> <li>• Takes a long-term view (5-7 years) of risks that lie ahead for the cooperative and develops strategies to address top priorities.</li> <li>• Recognizes the key areas of risk to the cooperative and determines strategies to avoid, reduce, transfer, or accept the risk; Formulates questions on the pros, cons, and costs of various courses of action proposed by management.</li> <li>• Provides prudent, independent and objective oversight to effectively guide and monitor the implementation of strategic initiatives.</li> </ul>	<ul style="list-style-type: none"> <li>• Ensures the board's fulfillment of its risk oversight responsibilities.</li> <li>• Ensures the board has established and communicated to management clear risk appetite and tolerance.</li> <li>• Leads the board to come to consensus on a risk oversight model.</li> <li>• Ensures that enterprise risk management is linked with the board's strategic planning process.</li> </ul>
	<b>Financial Oversight</b> Demonstrates an appropriate level of financial knowledge and understanding and can interpret financial reports and statements, and monitor corrective action to ensure financial goals.	<ul style="list-style-type: none"> <li>• Demonstrates an understanding of basic financial terms and concepts and how to analyze reports, balance sheets, statements of cash flows, and income statements.</li> <li>• Recognizes the board's financial oversight responsibilities.</li> <li>• Demonstrates ability to use the cooperative's strategic plan, annual budget and other business plans to effectively monitor results and variances.</li> <li>• Recognizes the factors that must be balanced when developing rate design philosophy.</li> <li>• Understands foundations of equity management, capital credits, &amp; debt structures.</li> </ul>	<ul style="list-style-type: none"> <li>• Monitors and assesses the board's understanding and use of or application of key financial ratios and/or financial reports and seeks education and clarification for the board where appropriate.</li> <li>• Ensures that the board conducts sufficient oversight and discussion on recommended strategies to address and material variances.</li> <li>• Lead the board in coming to consensus on a capital credit policy.</li> </ul>

COMPETENCIES	BOARD KEY BEHAVIORS	BOARD CHAIR KEY BEHAVIORS	
<b>Cooperative Outlook</b> Demonstrates the principles of the cooperative business model.	<b>Industry Principles and Concepts</b> - Knows the basic jargon and concepts of the energy industry.	<ul style="list-style-type: none"> <li>• Seeks to understand industry terminology.</li> <li>• Recognizes the value of diversity within the power supply portfolio.</li> <li>• Recognizes changes in the market structure and technologies of the electric industry.</li> <li>• Recognizes state and federal requirements of an electric utility.</li> </ul>	<ul style="list-style-type: none"> <li>• Demonstrates perspective of the "big picture" and issues related to the electric cooperatives, including the forces and factors impacting the industry.</li> <li>• Encourages directors to seek opportunities to enhance their understanding of the industry and their fiduciary responsibilities.</li> <li>• Ensures new board members receive an orientation to the industry.</li> </ul>
	<b>Cooperative Principles and Practices</b> Demonstrates an appreciation of the cooperative business model and a commitment to cooperative values.	<ul style="list-style-type: none"> <li>• Recognizes changes in the market structure of the electric industry over the past two decades.</li> <li>• Demonstrates understanding of the cooperative business model</li> <li>• Models cooperative principles and values in own behavior both inside and outside the cooperative.</li> <li>• Defends and stands up for the cooperative's values, vision and objectives.</li> <li>• Displays personal humility and promotes the success of the cooperative above promoting self.</li> </ul>	<ul style="list-style-type: none"> <li>• Builds commitment to integrating cooperative principles and practices into board processes and decisions.</li> </ul>
	<b>Community Engagement and Communication</b> Places the cooperative in a collaborative position for maintaining and growing healthy communities.	<ul style="list-style-type: none"> <li>• Recognizes the importance of the cooperative's connection to the communities it serves.</li> <li>• Engages in the cooperative's grassroots advocacy.</li> <li>• Differentiates between the communication roles and responsibilities of directors and cooperative staff.</li> <li>• Acts as an ambassador for the cooperative through personal involvement in community activities.</li> </ul>	<ul style="list-style-type: none"> <li>• Speaks to small and large groups with a professional demeanor.</li> <li>• Achieves practical consensus in group discussions.</li> <li>• Ensures the creation of a comprehensive communications policy.</li> </ul>
	<b>Member Focus</b> Focuses on the needs of members.	<ul style="list-style-type: none"> <li>• Views members as owners, and is proactive in anticipating their current and potential needs.</li> <li>• Seeks to recognize member diversity in decision-making.</li> <li>• Dedicated to meeting the needs and expectations of members.</li> </ul>	<ul style="list-style-type: none"> <li>• Demonstrates responsiveness to member requests.</li> <li>• Models the treatment of members as owners, and is proactive in anticipating their current and potential needs.</li> </ul>

COMPETENCIES		BOARD KEY BEHAVIORS	BOARD CHAIR KEY BEHAVIORS
<b>Personal Effectiveness</b> Interacts respectfully with different individuals and groups.	<b>Interpersonal Communications</b> Listens, relates and expresses oneself in a manner that is effective while supporting mutual understanding	<ul style="list-style-type: none"> <li>• Demonstrates commitment to information sharing and a culture of inquiry within the board room.</li> <li>• Communicates ideas clearly, factually and concisely.</li> <li>• Listens respectfully to others' ideas and opinions and asks questions to understand others' point of view.</li> <li>• Demonstrates comfort in handling "on the street" member interactions including when to refer questions to the CEO.</li> </ul>	<ul style="list-style-type: none"> <li>• Demonstrates restraint and encourages participation and opportunities for collective exploration.</li> <li>• Encourages the contribution of all directors in deliberations.</li> <li>• Listens to, observes, and learns about individual directors' interests, concerns, motivations and boardroom culture as a whole.</li> </ul>
	<b>Self- Awareness /Continual Learning –</b> Demonstrates an ongoing commitment to learning and self-improvement	<ul style="list-style-type: none"> <li>• Demonstrates self-awareness into own emotional strengths, weaknesses.</li> <li>• Takes advantage of opportunities to learn more about the cooperative, the electric cooperative network and the electric industry.</li> <li>• Keeps up to date on new developments by reading cooperative publications, industry news and other resources.</li> <li>• Maintains curiosity and motivation to learn.</li> <li>• Demonstrates self-awareness of areas for self improvement and development.</li> <li>• Demonstrates self awareness of personal body language.</li> </ul>	<ul style="list-style-type: none"> <li>• Champions continuous learning within the board regarding the innovations in governance structures and how they can be incorporated into the cooperative's governance philosophy.</li> <li>• Encourages on-going education among directors and further development of competencies.</li> <li>• Seeks feedback on performance.</li> <li>• Watches others for their reaction to his/her attempt to influence and adjusts as needed.</li> <li>• Models the ability to learn quickly in the face of new information or changing circumstances.</li> </ul>
	<b>Flexibility</b> Remains open to new ideas, information, and approaches.	<ul style="list-style-type: none"> <li>• Demonstrates flexibility and adapts to change.</li> <li>• Maintains ability to focus on cooperatives' goals and objectives while shifting mindset to incorporate new information or changed circumstances.</li> <li>• Listens to ideas, different approaches of others and is comfortable letting go of "we have always done it this way."</li> </ul>	<ul style="list-style-type: none"> <li>• Encourages board to explore new and different way of accomplishing the cooperative's objectives.</li> <li>• Facilitates exploration of successes and failures for ideas for improvement.</li> <li>• Models the ability to transition comfortably between situations.</li> </ul>
	<b>Builds Relationships and Influences Others</b> Creates and fosters constructive working relationships; Persuades others towards an outcome consistent with the organization's goals.	<ul style="list-style-type: none"> <li>• Understands the dynamics of internal and external relationships and works to persuade and motivates others.</li> <li>• Identifies opportunities to positively influence others.</li> <li>• Maintains composure at all times.</li> <li>• Listens to constructive feedback and incorporates suggestions to achieve collective objectives.</li> <li>• Leads by example and sets standards for professional behavior as an ambassador of the cooperative.</li> </ul>	<ul style="list-style-type: none"> <li>• Fosters a collaborative environment.</li> <li>• Uses expertise and business experience to influence and maximize outcomes.</li> <li>• Articulates positions in a way that inspires others to support decisions or actions by using facts, logic, and emotional factors.</li> <li>• Recognizes the social components and human dynamics that exist in a boardroom between and among directors, CEO, and the co-op's advisors.</li> </ul>
	<b>Negotiation and Conflict Resolution</b> Manages and resolves conflicts and disagreements in a constructive manner.	<ul style="list-style-type: none"> <li>• Resolves differences in ways that build trust and confidence.</li> <li>• Uses active listening skills to understand disagreements.</li> <li>• Demonstrates and encourages empathy so that all sides can understand each other's perspectives.</li> </ul>	<ul style="list-style-type: none"> <li>• Facilitates conversations that generate solutions to conflict or friction points.</li> <li>• Negotiates through potential conflict situations to avoid triggering disputes.</li> <li>• Mediates disputes by identifying and gaining commitment to mutually agreeable resolutions.</li> <li>• Maintains composure in face of heated ebates or adversity.</li> </ul>

**COMPETENCIES**

**BOARD KEY BEHAVIORS**

**BOARD CHAIR KEY BEHAVIORS**

<p><b>Personal Effectiveness,</b> <i>continued</i></p>	<p><b>Diversity and Inclusion</b> Leverages the talents of each person and promotes cultural awareness among board members.</p>	<ul style="list-style-type: none"> <li>• Develops and nurtures an inclusive atmosphere in the boardroom that leverages the talents of each person and promotes cultural awareness among directors.</li> <li>• Recognizes and communicates the value of diverse perspectives.</li> <li>• Engages in collaborative and mutually beneficial working relationships with people regardless of their individual differences.</li> <li>• Recognizes and appreciates generational differences among directors.</li> <li>• Champions policies, procedures and values that encourage awareness and acceptance of diversity.</li> <li>• Helps to foster an environment of inclusion in the boardroom, where diverse thoughts are freely shared, respected and integrated.</li> </ul>	<ul style="list-style-type: none"> <li>• Helps others increase their awareness and acceptance of individual differences.</li> <li>• Demonstrates humility.</li> <li>• Ensures fair treatment of all.</li> <li>• Models inclusion by effectively engaging with people different from him/herself.</li> </ul>
	<p><b>Integrity and Courage</b> Makes decisions and acts consistently with values, professional standards, and the broader interests of the cooperative.</p>	<ul style="list-style-type: none"> <li>• Makes decisions and acts consistently, ethically, and transparently with the values, standards, and broader interests of the cooperative.</li> <li>• Thinks independently.</li> <li>• Presents truthful information in an appropriate and helpful way.</li> <li>• Is trusted to keep confidences.</li> <li>• Acts in ways that put the cooperative's values and principles above one's personal needs and goals.</li> <li>• Consistently applies personal values to address difficult situations and make tough decisions.</li> <li>• Stands up for what is right and takes personal responsibility for mistakes.</li> </ul>	<ul style="list-style-type: none"> <li>• Models, articulates, and upholds the rules of conduct that are outlined in the board policies.</li> <li>• Embodies the spirit of the cooperative and continually keeps the integrity and goals of the cooperative at the forefront of every decision.</li> <li>• Faces up to interpersonal problems quickly and directly, while focusing on the behavior, not the person.</li> <li>• Gains and maintains trust by being truthful, fair and consistent.</li> </ul>