# Tough Turns in the Road: Avoiding Rockslide Drama

BY JACQUELINE HANNAH

On the board of directors of a food co-op, one thing you can absolutely predict is that there will be unexpected tough turns in the road at times—and there's a good chance some rockslide drama will obstruct your route as well.

In my work at Food Co-op Initiative, supporting startup food co-op leaders, unexpected issues come up so often for boards that I turned my coaching tips on managing the unruly road forward into a highly attended workshop at the Up & Coming Food Co-op Conference in Milwaukee in March 2017. And here I am again, turning these tips into an article, due to demand. Co-op leaders are eager to talk about how to be prepared to deal with the potholes—and their stories of the problems they've run into are eye-opening.

Just what kind of turns and drama are we talking about? Let's give some concrete examples:

- Right before the launch of the owner capital campaign, the local paper prints an opinion piece saying the co-op will never manage to open.
- An angry faction of board members who believe they can open the store within a year on a shoestring budget leave the board and start their own food co-op one town over.
- A founder of the co-op leaves the board, telling everyone as loudly as possible that they were forced off the board for no reason, when in reality they left because they refused to work democratically.
- A local farmer starts badmouthing the co-op, encouraging everyone to shop the competition and to not support the startup co-op.
- A natural foods chain announces plans for a site right down the street from a location the board has been working on for years and was just about to finish negotiating. **Resurfacing a rocky road**

Now, don't run away screaming from developing your startup after reading this list, assuming all of these things are likely to happen to your co-op too. Can these things happen? Yes, they can and have. But no startup



PHOTO COURTESY OF IAN POELETT, WIKIMEDIA COMMONS

has had all of these things happen, and yours won't either. Nevertheless, you will have your own moments when the going gets tough. How do I know? I know because you are democratically organizing to serve a large community of people, and large democratic projects full of people are messy at times.

There are three main types of bumps in the road:

- Leadership drama: board divisions, employee disasters, founders who want to control everything;
- **Public badmouthing**: nasty letter to the editor, bad press, community leaders spreading rumors;
- **Project setbacks**: new competition, site falls through, site leaks before the lease is signed.

Imagine you have a toolbox that you bring out any time one of these types of issues surfaces at your co-op. In this toolbox, no matter what has arisen, there are two tools to go to at the outset—and then a critical third.

#### Tool 1: Pause

The gut instinct when things go wrong is to act, to respond immediately. This is always the wrong decision, even when a quick response is warranted—which is less often than we believe. When that owner hands you the copy of the anti-co-op "newsletter" they found at the coffee shop, or the angry email comes into your inbox from

a board member who is quitting and planning to tell the whole world their version of why, the immediate thing to do is pause.

By "pause," do we mean, "Do nothing"? Not at all. It means do not react to the person or act immediately, if possible—or give a neutral, non-committal reaction if you must give a response. Thank the owner who gave you the "newsletter" sincerely, and let them know you'll review it with the board—but share no other thoughts on it. Read the email from the disgruntled board members, and take deep breaths—but do not hit "reply."

The pause is taking the time to not react in a way that could come back to haunt your co-op later, and to figure out who needs to be in on deciding what to do next. Pause and ask yourself, "Who needs to be at the table to assess? Do we need to gather the whole board in person? Could the board, through email, empower a couple of board members to do the assessment and get back to us with recommended next steps within 24 hours?"

#### Tool 2: Assess

Once you've paused and decided who needs to be at the table to assess the situation, try answering the following questions:

Who needs a response and why? Does anyone actually need a response? Sometimes the answer is "no," but the board may instead need talking points to follow, in case they are asked about the mysterious anti-co-op newsletter.

If a response is needed and we've identified who needs it, what is a reasonable timeline for getting out that response? Often you have more time to respond than you think. A quick response often comes off as defensive, which doesn't help matters.

What is the problem? Truly ask yourself this question. For example, in the case of the disgruntled board member who has quit suddenly and is threatening to badmouth the co-op board, what is the shape of the problem or problems created? Is their sudden departure a problem? List what they were working on for the board, what relationships they held on the co-op's behalf, and what information they might have that no one else on the board does. Then take a look at the "badmouthing" problem. What form might that take? What is most at risk if they go forward with gossiping?

Identifying the shape of the problem often reveals that your gut reactions were not accurate, and if voiced would have produced a whole lot of wheel-spinning around things that aren't the real problem. Perhaps in this case

Unexpected crisis and drama are nearly inevitable in building a startup food co-op.
But remember, you are not alone.

the main problem under all the gut-level reactions to the departing director's accusations is that that director was the one working primarily on the proforma financials and had engaged in several conversations with a potential primary lender on the co-op's behalf. Now that you know the shape of the potential problems, you can identify the right plan.

Write it down, and make it brief. The last step of the pause and assess process is to write the briefest possible description you can manage of the situation: what the problems actually are in bullet point form, and who you've identified needs a response, on what timeline, and why. This should be shared with all the board members, even if they were at the table for the assessment, to make sure you all agree on the shape of the issue you are facing. This will also be a key step to being able to use the third tool in your response toolbox.

## **Tool 3: Seek outside perspectives**

After tools 1 and 2, pause and assess, outside perspective is the next tool to make use of. Take that written summary and assessment of the situation and share it in confidence with someone who has relevant experience. That person might be a consultant you are working with, a general manager you have a relationship with at an established co-op, or a leader at a co-op development center.

Don't be afraid to share the summary and assessment with multiple experts you trust, especially if you have identified that you are on a tight timeline. More than one perspective can be very useful, and seeking multiple potential sources helps to make sure you get advice in time. Never underestimate the power of perspective from someone who is not as emotionally close to the situation as your co-op's leadership team is! We all can greatly benefit from it, no matter how experienced at managing sensitive situations we may be.

### Keep your eyes on the road

In sum, these three—pause, assess, and seek outside perspectives—are the right go-to tools, no matter whether the problem is of the leadership drama variety, the public badmouthing variety, or the unexpected setback variety. These tools will always apply.

Unexpected crisis and drama are nearly inevitable in building a startup food co-op. But remember, you are not alone. Work the tools, reach out to your peers and to Food Co-op Initiative, and know that someone, somewhere, in the food co-op world has been there before. You will get through the crisis, you will become a stronger leader, and your co-op will be better for it. •

## THREE TOOLS FOR DEALING WITH DRAMA

The challenges faced by startups are shared by coops of all sizes, especially during times of transition. Discuss the value of these tools—and consciously put them to use—to avoid hazardous distractions and rockslides.

PAUSE: Take a deep breath
ASSESS: Identify the shape of the
problem and sketch it out
SEEK OUTSIDE PERSPECTIVES: Share
your assessment with others whose
points of view you trust and respect



Join expert advisors and other co-op startup teams from across the country to learn, connect, and get the tools you need for success.

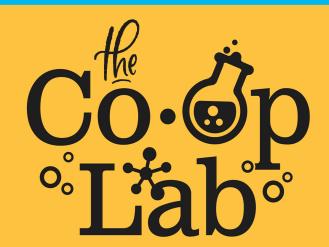
March 16-17, 2018 Save the date!

March 15 – Optional workshops and tour of host co-op OUTPOST NATURAL FOODS

InterContinental Milwaukee 139 E Kilbourn Avenue • Milwaukee, WI 53202

- Board/Organizing Business Development
- Urban Co-ops Operations/Open Stores
- Ownership/Outreach Case Studies Rural Co-ops

with special guest Dr. Jessica Gordon Nembhard author of Collective Courage



proven theories + bold experimentation

Organized by the Indiana Cooperative Development Center and Food Co-op Initiative • upandcoming.coop