



## Aligning governance and company rules

‘The board were collectively of the view that our governance needed to be streamlined but wanted to ensure that any changes would not disrupt the goodwill and progress the business had built over its 45 year existence. EFP were very supportive in helping consider a range of options and leading us through the changes needed.’

**James Barton**

Chairman (2004–2007), Woldmarsh

**Summary**

EFP worked with Woldmarsh on the size and structure of the board, the nomination and election of directors and director’s term of office. The objective was to maintain member involvement in the business whilst sustaining effective governance of the Society’s affairs.

**The legacy issue**

Woldmarsh had grown over forty-five years to become a significant input buying business for over 700 farmers in Lincolnshire and surrounding counties through the combined efforts of 22 individual buying groups. Each of the buying groups had the right to appoint a director onto the Woldmarsh Board. However, the board and to some extent the staff felt that the size of the board made it unwieldy but they did not want to lose the regional representation advantage which gave, in effect, access and influence to all of the members.

**How we helped**

EFP were commissioned by Woldmarsh to review the current governance arrangements with a view towards achieving a smaller more manageable board with appropriate skills but that was still responsive to the needs of the individual regional sub-groups.

This work included an analysis of the issues relating to the division of authority between the board and the executives. Detailed consideration was given to a range of governance frameworks to achieve an effective small sized board that would also maintain a free flow of information between the main board and each of the sub-groups.

This work led to a decision to reduce the size of the main board but gave each group the right to nominate individuals to become main board directors. Once nominated it would be left to the members as a whole to elect the director of their choosing.

EFP then supported Woldmarsh in making the necessary amendments to its constitutional documents and in explaining to the members the justification for the changes at a members meeting.



### The outcome

The directors of the business were given an independent assessment of the options open to them and EFFP were able to draw on their experience of what worked well in other Societies. This gave the board confidence to recommend the changes to the members and so when the time came for members to vote they had been thoroughly informed of the rationale and advantages that would arise as a result of the changes. The proposals were voted through as a unanimous decision of the members at a special meeting such that the main board now consists of Chair and Vice Chair, Chief Executive and five member elected directors.

### Successful governance

Good governance practice is the foundation of business success. Good governance results in a better leadership, more comprehensive development of strategy and thorough management of risk that increases the chance of business success.

EFFP offer a wide range of governance services that can be tailored to improve board performance from a quick board health check to a complete analysis of business risk. But we don't just offer advice; we also help businesses implement any changes required.

### About EFFP

EFFP is a specialist agri-food business consultancy, working across the whole supply chain. We combine our farming knowledge with food industry expertise to address structural, commercial and trading relationship issues from an objective and independent viewpoint.

As a national organisation, with a dedicated team of highly experienced sector and regional specialists, we not only assist individual businesses but also promote new thinking and transformational change across the complete chain. We reinvest all our profits back into the industry to help make that change happen.

### We offer

- strategic insights into what is happening both globally and nationally, and crucially the implications for UK businesses;
- a range of business development services to help deliver growth, organisational and structural improvements and continuing professional development;
- expert advice and practical solutions to strengthen and integrate the supply chain back to farm level.

### Speak to us

To discuss how EFFP can support your business please contact us.

**T** 020 7213 0430

**E** info@effp.com

45 Ludgate Hill  
London  
EC4M 7JU

[www.effp.com](http://www.effp.com)