

# HOW TO BE AN EFFECTIVE EMPLOYEE DIRECTOR OR EMPLOYEE TRUSTEE

## OVERVIEW

This highly practical course will run over 5 days, 9:00am to 1:15pm and will provide participants with a high level understanding of:

- The duties, obligations and requirements of an **Employee Trustee or Director**
- Different forms of employee ownership structures
- How to understand financial and other board or trust reports
- How to use your role to help develop a successful employee ownership culture
- How to perform well as an **Employee Trustee or Director**

Participants will also develop their network of peers in other employee owned businesses and have the opportunity to share experiences and learn from one another.

The course will be delivered virtually via videoconferencing by an experienced course director supported by a range of guest speakers from employee owned businesses and expert speakers from professional service providers. Throughout the course, there will be a focus on case studies, making it highly practical and based on real life experience.

## WHO SHOULD ATTEND THIS COURSE?

- Newly appointed or existing **Employee Trustees** of Employee Ownership Trusts (EOTs) or Employee Benefit Trusts (EBTs)
- Newly appointed or existing **Employee Directors** on the boards of employee owned businesses

## WHAT WILL YOU LEARN FROM THIS COURSE?

- How to effectively and confidently fulfil your responsibilities as an **Employee Trustee or Employee Director**
- What legal responsibilities you have as a director or trustee
- How to understand and interpret financial and other management information

# COURSE CONTENT

## HOW EO BUSINESSES ARE OWNED AND STRUCTURED

- Difference between ownership, direction and management • Trusts, direct employee ownership, hybrid models
- Constitutional documents and what they mean / do • Different governance structures
- Typical members of a company or trust board and their roles

## YOUR LEGAL RESPONSIBILITIES AS A DIRECTOR OR TRUSTEE

- Legal requirements to be a trustee or a director • Board powers, shareholder powers & trust powers
- Director rights & duties • Trustee rights & duties • Areas of potential personal liability & how to manage the risk
- Being an effective trustee or director • Fiduciary duties & conflicts of interest • Confidentiality

## GOVERNANCE - HOW DECISIONS ARE MADE

- What is "Governance" and why is it important? • Governance in an EO Business • Governance at board level
- Examples of bad governance • Governance at the EO Trust level • Governance in the real world

## THINKING LIKE AN OWNER

A fun business competition that aims to give participants experience of managing the various different aspects of a business and encourages them to "think like an owner"

## UNDERSTANDING AND USING ACCOUNTS

- Budgets, management accounts, forecasts, statutory accounts – what are they?
- What are the main financial statements; how they relate to each other and how they are affected by business decisions • Some important accounting "concepts" you need to understand
- How to "read" financial statements, and what they can tell you • Some important ratios and KPI's
- Questions to ask the auditors at year-end • Using accounts to manage the business

## FINANCIAL DECISIONS YOU MAY BE INVOLVED IN AS A DIRECTOR / TRUSTEE

- Assessing and approving the annual budget • Meeting the auditors • Approving major expenditure
- Director remuneration and succession planning

## WHEN BUSINESS ISN'T GOING WELL

A brief look at some of the hard decisions that directors / trustees must take when business isn't going well, including:

- Banking covenants • Importance of cashflow management • Cost reduction • Communications and stakeholder involvement
- Importance of external stakeholders (banks, customers, etc)

## HOW TO BE EFFECTIVE IN THE BOARDROOM OR TRUST

Focus on the softer aspects of being an effective director or trustee; e.g. style, professionalism, being prepared, inter-personal skills and relationship building, healthy debate but collective responsibility etc

## DILEMMAS

- Group discussions on how to deal with some of the more difficult and sensitive issues directors or trustees may face
- Management remuneration and incentives • Management "misbehaviour" and/or underperformance

## HOW TO BOOK

**TO ACCESS A BOOKING REQUEST FORM VISIT  
WWW.EMPLOYEEOWNERSHIP.CO.UK/EOLEARN OR FOR MORE INFORMATION  
EMAIL EOLEARN@EMPLOYEEOWNERSHIP.CO.UK OR CALL (01482) 667122**

**5-DAY COURSE FEE:**

**EOA Member - £850 plus VAT    Non EOA Member - £1,000 plus VAT**

## ABOUT THE COURSE DIRECTOR

**A Chartered Accountant and experienced Non-Executive Director, Ken Lindsay, has more than 25 years of experience of sitting on boards, as well as the training of board members and advisors, of numerous companies of all shapes and sizes.**

Following his retirement from full time work as a partner in a leading private equity investment firm, Ken continues to act as a director of several companies including: Chairman of Cambridge Weight Plan (the award-winning employee-owned business), Non-Executive Director of a building and garden products business, and Non-Executive Director of the trading subsidiary of a UK charity.

## ABOUT THE EOA

**The Employee Ownership Association (EOA) is a UK membership organisation of 420+ businesses exploring employee ownership, businesses that are fully or partially owned by their employees or who support employee owned businesses. We are not-for-profit and politically independent organisation working in partnership with a diverse range of partners to grow employee ownership. We do this by:**

### CONNECTING

Bringing our members together via events, introductions and networks

### CAMPAIGNING

Collaborating and using our knowledge and research of the EO sector to influence and inform

### CHAMPIONING

Enabling our members to share and celebrate their EO business success stories and expertise