

A personal statement on my resignation as a director of The Ringing World Ltd

by Richard A Smith

It is with the greatest of sadness that I must announce my resignation as a director of The Ringing World. This will doubtless come as a surprise to many people and I believe it is necessary for me to explain why I was compelled to take this highly disruptive step.

The Ringing World is a strong and widely respected brand, backed by an exceptional team of hard-working employees, eager to see the paper thrive while also diversifying and modernising the business. Yet for that to happen, the company needs a dynamic board of directors able to steer the company forwards and wisely budget for the future. That was the board I wanted to be part of, and for many years I believe I was.

Increasingly, I see a dysfunctional board mired by apathy and incompetence. I do not think the blame for this lies with the majority of the board, most of whom have been in their roles for several years. There is no doubt in my mind that the blame lies squarely with the new chairman, David Grimwood. He has adopted a far less hands-on approach to the role than his recent predecessors, has proved quite incapable of chairing meetings effectively, and is unwilling to engage with the board, instead preferring to sideline them and act unilaterally, and in doing so has brought discredit on the company.

It has become difficult to bring important matters to the board for discussion due to David's inability to chair meetings well. Discussion on important topics is unpredictably cut short or simply not allowed, and David makes little effort to sum up the mood of the meeting leaving everyone with different recollections of what happened. I regret I lost my temper at one such incident back in the summer, though only after David's capricious behaviour had already become wholly unacceptable.

More seriously, David has frequently acted without the knowledge of the board, and at times against their wishes. The announcement at the AGM that our primary aim for the coming years was "to increase the circulation by at least 30% through radical action" was particularly egregious as this major policy announcement came as an utter surprise to the board. Nor was his subsequent confirmation of this policy in the paper done with the board's prior knowledge. Checking the consistent decline in circulation is important, but we have no strategy for achieving this, far less for such an extraordinary increase. The fiasco of the CIO vote at the AGM has already damaged our reputation and failing to deliver on this target will do further serious harm to our credibility. David made other untrue or misleading statements at the AGM, possibly inadvertently, but when a convenient opportunity arose to correct one of these and the board asked that did, he would not.

At a different time, I'm sure the company could survive an incompetent chairman, but the coronavirus pandemic has put the company in a perilous financial position and the chairman's incompetence now poses an existential threat to the business. We currently anticipate making a loss of more than £30k this year. Thanks to five years of prudent planning, we have built up a large enough reserve that the company can survive this, but only with careful management and prudent use of these reserves. That requires a chairman who is willing to work with the board, bringing out the best in each of them. We do not have such a chairman and that makes me genuinely fearful for the future of the company.

Quite apart from the effects of the pandemic, there are significant staffing and office-related matters which would have made next year's budget more complex than normal, but these have not yet been discussed. In fact, we've done far less to prepare for the 2021 budget than in any previous year since I joined the board. This is not an isolated example of our recent failure to plan adequately for the future.

I had hoped that I could quietly help overcome this from within and I tried many approaches to this. Even after it became clear that the differences of opinion between me and the chairman were too great to allow us both to remain on the board, I spent weeks seeking a solution that would allow me to leave quietly, believing the company was in safe hands. I have failed. It has been a difficult and stressful couple of months, and at times I may have been somewhat intemperate myself from the immense sense of frustration that comes from caring so passionately about The Ringing World, having invested so much of my own time and effort into it.

These problems cannot be allowed to continue. The 2021 budget needs urgent attention and the board must decide whether to embrace David's target increase in circulation. It might be best to reject the 30% target while still working towards increased circulation alongside other projects, but it has become clear that this cannot sensibly be discussed while David remains in the chair.

Directors have a legal obligation to act in the best interests of the members, and not just do whatever makes for an easy life. Here we have an incompetent and disingenuous chairman pursuing his own agenda to such an extent it risks the survival of the company, and the best interests of the members are served by removing the chairman. After some quiet conversations between directors I have concluded there is no point me bringing a vote of no confidence in the chairman. Even though there is considerable recognition of the problems I have identified here, it would not pass, nor even be close. In the words of one director, "I believe there is no circumstance in which the board would vote to remove the chairman". The board's counter-proposal for how to address the issues I raised was to make minor adjustments to how the board agenda and minutes were prepared.

This leaves me with grave doubts that the directors are failing to fulfil their legal obligations, and I am left with no option but to resign and make these facts public. I would not be doing this if I could see any other way to avoid the existential threat David poses to The Ringing World. It is now my fervent hope that this public statement will cause David to do the honourable thing and resign, or else that the board will finally remove him. If not, it falls on the members of the company to hold the board to account. The directors are required to call an EGM if one is requested by 5% of members, or roughly ten. It is also worth noting that members are allowed to appoint a proxy to attend and vote on their behalf.

Where does this leave my involvement in The Ringing World? I am not asking to cut all involvement with the company, and given the chance, I will happily continue to serve as digital consultant, the role to which I have just been appointed in preparation for my departure. Whether I am allowed to is another matter.

If the board now want to cut me out entirely, that is their prerogative, but I know they have no succession plan and I suspect they have little idea quite how much I do for the company. I estimate that I have averaged several hours' work for The Ringing World each day over the last year, but it was time I gave willingly and was looking forward to continuing to give for many more years. Without wishing to seem immodest, I believe I spend far more time on Ringing World business than any other current director. That is not necessarily a criticism of them, but it means a clean break would create a void which they might struggle to fill.

Leaving the board in this manner saddens me more than I can say, and the company continues to have my fullest support, as do many individual directors. During my time on the board we have had two fantastically able editors who have brought their own unique insights and values to the paper. Readers may not always appreciate how much the editor does for the business, but I am immensely relieved that the paper is in such able hands at this difficult time. Whatever the future holds, we are lucky indeed to have Will Bosworth at the helm and I am genuinely sorry for the difficulties this statement will inevitably cause him.

There is much more I could say on these matters and I may release a fuller version of this statement in the coming days.

Richard A Smith
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