



# Welcome to Seminar EO3

“Laying the foundations of a culture of ownership; how to establish the right governance, engagement and reward mechanisms for those new to EO.”



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**Facilitated by:**

Pete Burden

**Panellists:**

Campbell McDonald – Baxendale

Emma Wise – The MPA Group

Brian Russell – Symology

**Case Study:**

Gareth Parry – Remploy



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**Remploy**

Putting ability first

Remploy  
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I'm an  
owner!

# Laying the Foundations of a Culture of Ownership

Gareth Parry  
Director of Strategy & Remploy EBT Trustee  
EOA Conference  
24<sup>th</sup> November 2015



## About Remploy

- Largest provider of specialist employment support services for disabled people in the UK
- Our Mission to is transform the lives of disabled people by supporting disabled into and in work so that they can become socially and economically independent
- We have a rich 70 year history – up until April 2015 that was all in Government ownership
- We operate across England, Scotland and Wales
- We employ just over 800 colleagues across the business – and are growing
- We have a £50m+ annual turnover
- Head office is based in Leicester

## Our Drivers for Employee Ownership

- Government Ownership was restricting Remploy's growth and development
- Remploy is strongly Mission-led and colleagues wanted to protect the Mission in the long term
- Our culture is focussed on empowering colleagues across the business
- We wanted to ensure we became a forward-looking, dynamic organisation, driven by growth and innovation, whilst retaining a very strong social ethic around disability
- We also needed a politically acceptable vehicle to spin out
- Employee ownership fitted the bill for what we were trying to achieve

## Our Mutual Joint Venture

- 70% stake in Remploy owned by MAXIMUS Inc – a large US listed Health & welfare services provider
  - Provides financial strength and strong commercial acumen
- 30% owned by Remploy employees via an Employee Benefit Trust
  - Delivers loyalty, commitment and drive across the organisation
- 30% may look like a minority stake, but it is supported by;
  - 2 Employee nominated Board Directors, in a full Board of just 6
  - 15 reserved matters protecting key business issues, including
    - Mission
    - Brand
    - Shareholding allocation
- So, its 30% with real and meaningful influence
- The joint venture model gives us the best of both worlds the two shareholders bring

## Our Journey

We finally exited Government ownership on 7<sup>th</sup> April this year

- Strong leadership commitment to achieve and drive employee ownership in the business
- The Executive team had been talking to colleagues across the business about employee ownership for almost 2 years to gauge support and buy-in for the concept
- We brought in specialist advice and guidance from an expert organisations – Baxendale
- We accessed the Employee Ownership Association for advice, guidance and contacts
- £120K allocated by the new business specifically to support this agenda
- We undertook a range of visits to a range of other employee owned organisations to learn about their experiences, including;
  - John Lewis, Childbase Partnership, Rochdale Boroughwide Housing, Scott Bader, Prospects
- Interim EBT Trustees put in place to get structures and process up and running – have met weekly now for 6 months to ensure momentum

# Progress to Date

- Internal Communications plan developed and implemented
  - Monthly Colleague performance report
  - Monthly colleague webinar
  - Dedicated Internet/intranet pages
  - Google community launched – over 430 colleague have voluntarily joined



- Colleague-led business improvement campaign launched
  - FABB Ideas (owners **F**or **A** Better **B**usiness)



- EO structures established
  - Ownership lead in every team elected (64 in total)
  - National Ownership Council elected (23 members)



## A Positive Business Impact

Our business is only 6 months old, so still early days, but already;

- High levels of colleague engagement (80% and 78% turnouts in the 2 elections held)
- Attendance and colleague retention rates showing modest but early signs of improvement
- FABB Ideas have generated over 90 business improvement ideas, 2 of which have already been implemented
- We have delivered a highly successful first 6 months, exceeding profit targets by some way (this after 70 years of being not-for-profit)
- We have already delivered £2.5K to disability-related good causes
- Shortlisted by Employee Ownership Association for a 2015 national award in the “Rising Star of the Year” category

## Example of Changing Behaviours in Remploy

### **Thanks to Jane, we're all saving money!**

Jane Hall has really taken being a co-owner of Remploy to her heart. Spurred on by the desire to “watch the pennies” Jane took it upon herself to review the costs of stationery supplies at Remploy’s central offices in Leicester. Jane, who is employed as a Senior Administrator, diligently reviewed stationery requirements over a 3 week period in April - May. From that activity she identified several items which could be sourced at a cheaper rate. Consequently, Remploy was able to deliver cost savings from 42% to 56% over that period.

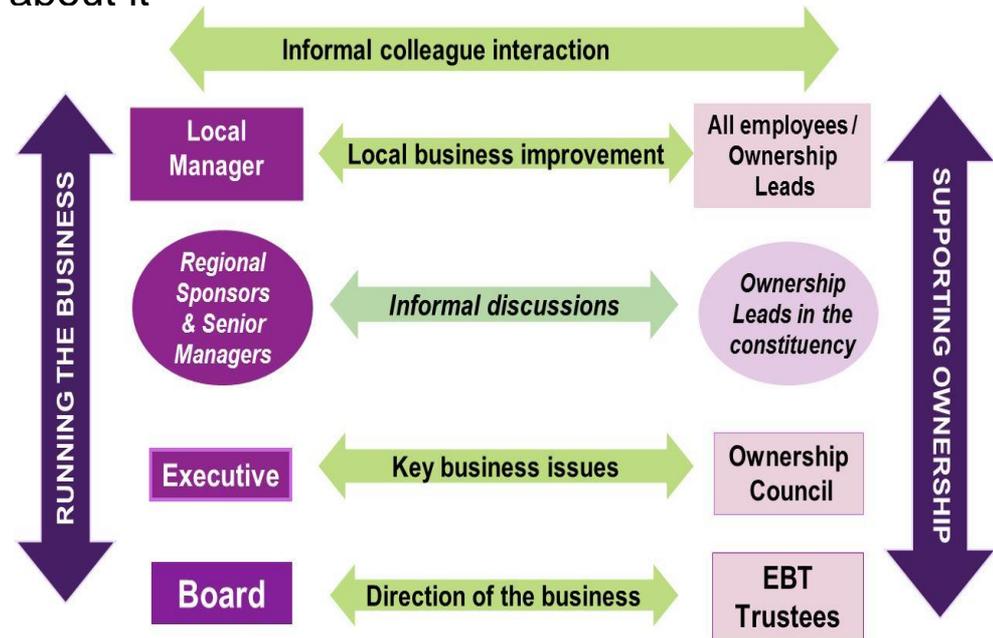
In those 3 weeks alone Jane made savings in excess of £1,200, which on an annual basis will deliver savings on the stationary bill of more than £21K!!

What a fantastic example of employee ownership driving behaviours that will help the business become sustainable.

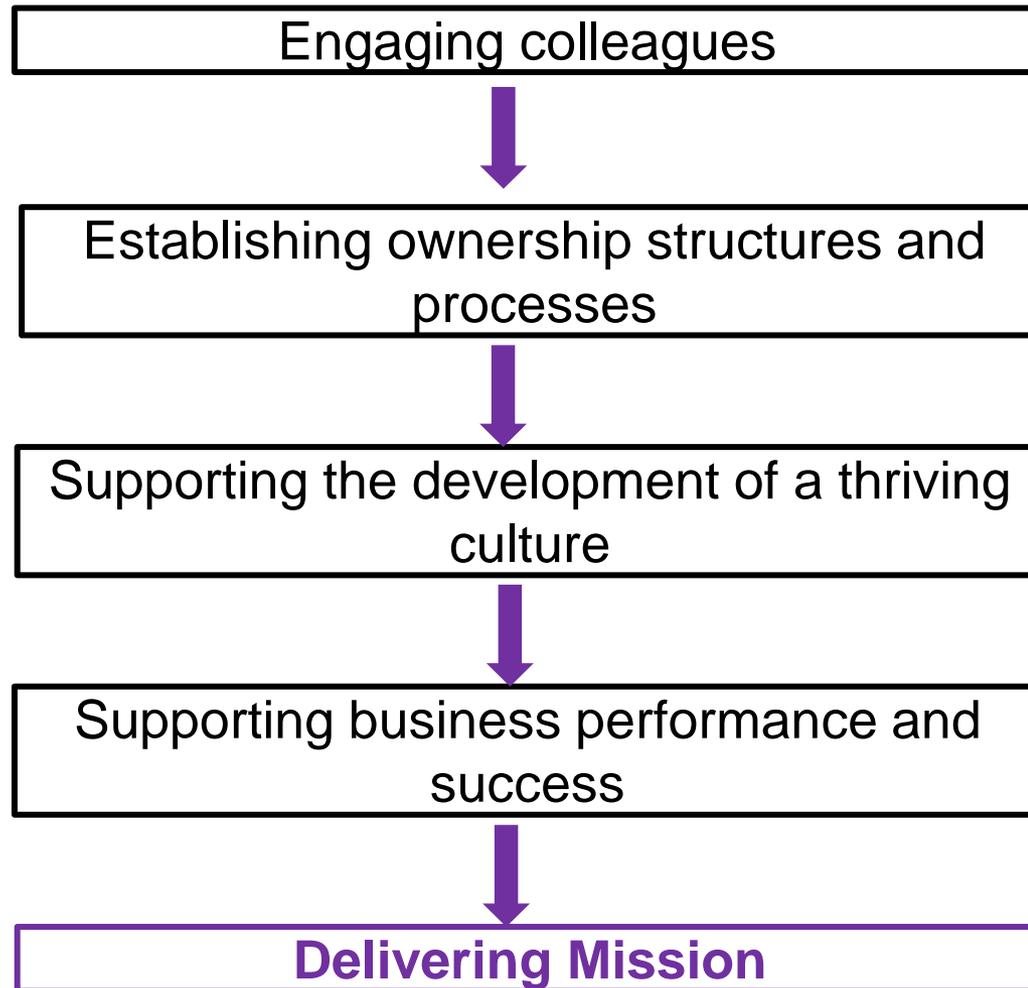
Thank you Jane!

# Top Tips for Laying Ownership Foundations

- Do your research
- Speak to those who know what they are talking about
- Be clear about reasons for progressing EO and develop support and buy-in
- Meaningfully engage with employees right the way through the journey
- Make it real – EO with teeth
- Leaders must believe it and be passionate about it
- Show commitment by investing resources
- Give EO space to grow and find its feet
- Openly celebrate early successes
- Integrate into core business processes
- Make it accessible for all
- Focus on business improvement
- Be clear about what EO isn't
- Learn, learn and keep learning!



## Summary of Our Ownership Focus



Remploy

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**THANK YOU!**





# Questions and Discussion

**#EOAConference**

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# Thank you

Please make your way to the Palace Suite for refreshments



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