



# Scotland

**Regional Network Meeting:** Scotland  
**Host:** Co-operative Development Scotland  
**Date:** 06 December 2017  
**Facilitator:** Oliver Smith

## Meeting Notes

### Group discussion on the positives and challenges of employee ownership

Challenges that may occur;

- Understanding the roles and responsibilities of elected reps when working with the company Board.
- The former Owner be able to let go of the business.
- Getting employee ownership going in the business and keeping it alive.
- Ensuring honest communications between the employees and the company Board.
- Communicating with employees over multiple sites.
- Training and development of elected reps.
- Being seen to act upon employee suggestions
- Being employee owned can segregate employees who differ in their approach to being an owner
- Potentially different approach to ownership if employees own shares or part of a trust.
- Decision making process may be drawn out if not managed clearly.
- May create tension amongst those who have different opinions to the right direction for the business.

Positives to being employee owned;

- Empowered employees
- Sustainability of the business
- Build trust and togetherness amongst the employees
- Consultative management processes
- Profit of the business is reinvested in the community by rewarding employees
- Reduction in sickness records
- Strengthen client relationships
- Safeguards jobs
- Opportunity for employees to access senior management
- Employee ownership is an employee recruitment and retention tool
- Increased productivity
- Greater transparency through two way communication.

Outputs from the discussions demonstrated that in some cases positives become challenges unless they are managed effectively.

### Employee Ownership – Warts n All

Presentation slides below from Andrew Sparrow - Clansman Dynamics, and John Clark – Novograpf.

## Open Space

1. How can the shares be affordable for employees in the future
  - Possibly divide up the shares to make them more affordable
  - This discussion did lead to consideration towards selling the majority of the shares to the employees, because this does not have to result in the former Owner relinquishing complete control of the business, for its future benefit.
2. Improving business literacy amongst employees
  - Share the headline figures of the business performance in a less complex way that can be easily understood.
  - Gradually increase the detail provided to employees overtime
3. Improving employee engagement
  - The means of engaging with employees can depend on their job role and access to a PC / emails.
  - Team gatherings, eg pizza evenings to encourage conversation or company roadshows to provide more formal content.
  - Conduct financial meetings with employees.
  - Ensure new employees are fully aware of the employee ownership structure and the culture of the business.

## References;

- Gallup's Q12 research into employee engagement, the link below is to 12 question used in a comprehensive study...

<http://paulsohn.org/gallups-q12-employee-engagement-findings/>

- YouGov survey in public perception of trust for employee owned businesses...

<http://employeeownership.co.uk/news/new-data-finds-employee-owned-businesses-perceived-trustworthy-businesses-not-owned-employees/>

## Actions

1. Create your own profile and encourage colleagues also, to enable sharing ideas between members.
2. Consider if your organisation could host an EOA Regional Network meeting.