

Welcome to  
**Employee Ownership Association**  
Annual Conference 2017

Where employee ownership meets

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**for**  
**Colleagues**   
Advice Investment Growth

# The early years of being employee owned - 'warts n all'

Experience of Mike Stoane Lighting, the move to becoming employee owned & the 'firsts' of being employee owned

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# Welcome

Presented by Emily Alston – Mike Stoane Lighting

Facilitated by Michael Slade – MSS Associates

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# Our aims today..

- To share experiences of the early years of employee ownership – challenges, ‘warts’ and successes
- To understand the key learnings from those experiences – both from the Mike Stoane Case Study and from others in the session

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# Agenda

- Introductions
  - Who are we?
  - Who are you?
- Case Study – a lighting company, 3 years into EO
- Questions and discussion
- Summary

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# What we will cover...

- Communicating
- Planning
- Sharing the Profits
- Facing Serious Challenges
- *The challenges*
- *The warts*
- *The successes*

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# Mike Stoane Lighting

- Lighting Equipment Design & Manufacture
- 60 Employee Owners
- EO since 2014
- 65% of shares held in an EOT
- Mike wanted to exit – but to preserve his company

## COMMUNICATING

### The Challenges!

- Setting up Employee Forum
- Electing representatives
- Understanding remit
- Shareholder newsletter

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## COMMUNICATING

### The warts!

- “Them and Us”
- All Employee Meetings
- No-one standing for Trust or Board
- Voting
- Never enough information

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## COMMUNICATING

### The successes!

- Forum constitution – terms of reference
- Online discussion
- Voting on complex issues
- Committees

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## PLANNING

### The Challenges!

- First EO Business Plan
- Understanding shared priorities
- Consultation – The Future of the Trust

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## PLANNING

### The warts!

- I'm being "told what to think"
- Loss of group identity
- No uptake on lunchtime discussions

## PLANNING

The successes!

- Business Plan Consultation
- Values and Purpose
- Collective vision for the future

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## SHARING THE PROFITS

### The Challenges!

- Paying our first profit share
- Communicating the process
- Setting up the methodology

## SHARING THE PROFITS

### The warts!

- Nothing to share in year one
- Celebration or division?
- No guidance

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## SHARING THE PROFITS

The successes!

- Committee makes recommendations
- HMRC Support
- Employee Owners happy

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## FACING SERIOUS CHALLENGES

### The Challenges!

- Business as usual disappointing for some
- What's in it for me?
- “Transparency” vs what is possible
- Governance new to everyone

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## FACING SERIOUS CHALLENGES

### The warts!

- Post EO disappointment
- Personal agendas
- Redundancies and a dismissal
- Internal share sales cause controversy

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## FACING SERIOUS CHALLENGES

The successes!

- We learned to ask questions
- Sharing information makes bad news easier
- Engagement comes in unexpected places
- Opportunities to learn and teach everywhere

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## In summary...

- Communicating
  - Planning
  - Sharing the Profits
  - Facing Serious Challenges
- *The challenges*
  - *The warts*
  - *The successes*

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# Questions and Discussion

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**Thank you.** Enjoy the rest of the conference.

Please make your way to the Kings Suite for lunch.

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