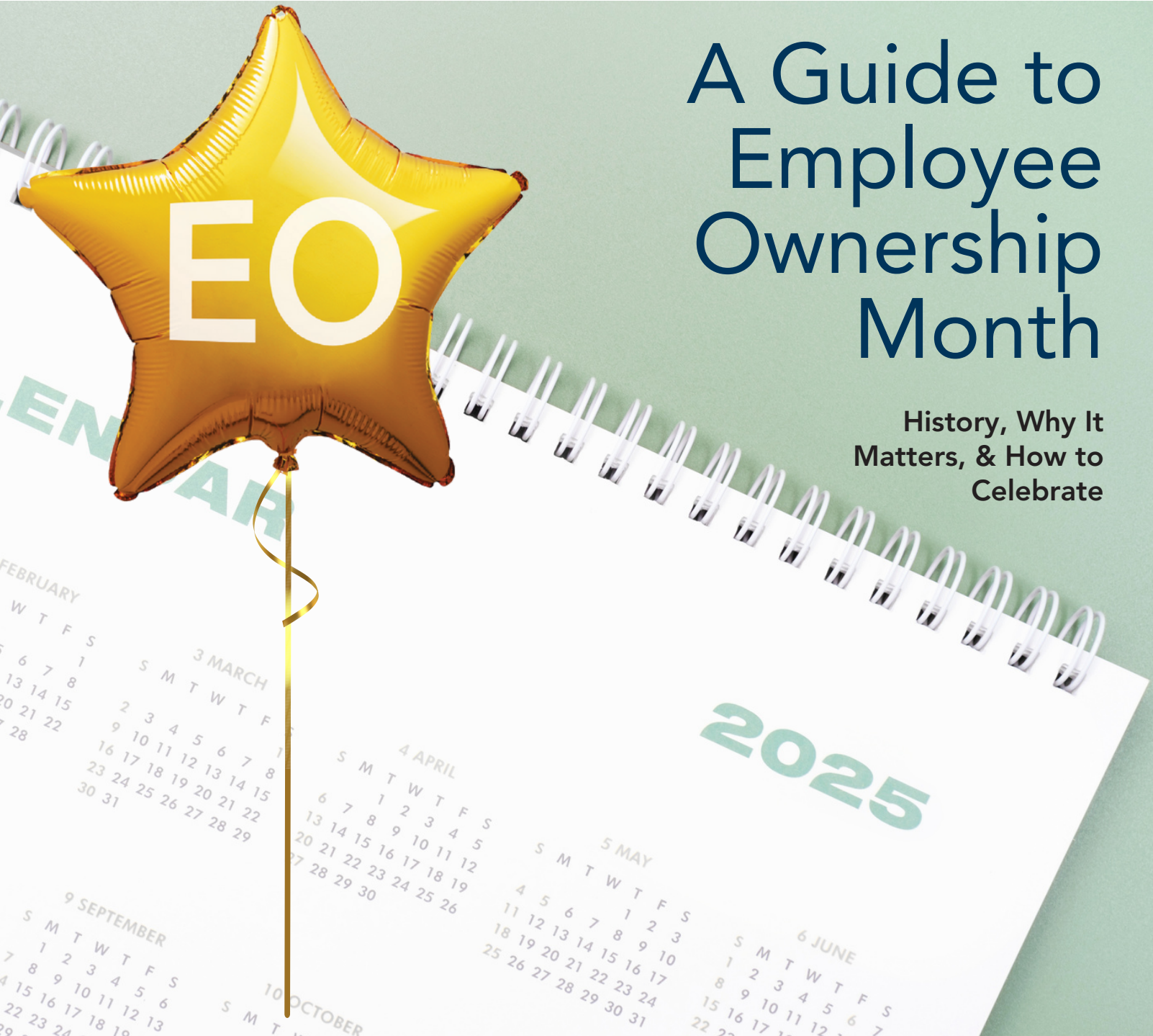


NCEO

NATIONAL CENTER FOR
EMPLOYEE OWNERSHIP

A Guide to Employee Ownership Month

History, Why It
Matters, & How to
Celebrate



National Center for Employee Ownership

NCEO.org

History of Employee Ownership Month

Back in 1982, the National Center for Employee Ownership was in its second year. Our staff consisted of three people: Karen Young, myself, and an intern, Mike Yoffee. We thought it would be a good idea to have an employee ownership week.

There are all kinds of “days,” “weeks,” and “months.” Just to start your year, you can celebrate National Hangover Day on January 1, and then, having recovered, enjoy National Buffet Day on January 2, and top it off with National Chocolate Covered Cherry Day on January 3 (I am not making this up). Of course, many are more serious, like National Human Trafficking Awareness Day, Martin Luther King Jr. Day, and International Holocaust Remembrance Day. Some are designated by Congress, including lots of days or weeks designated for various products, like National Oatmeal Month.

Declaring an employee ownership week seemed like a good idea to encourage companies to celebrate being employee-owned and, hopefully, use the opportunity to get attention from the local press, congressional representatives, and local leaders. We didn’t want to try to get a congressional designation—it was too much of a stretch for a young organization like ours. So we just said, “this is Employee Ownership Week.”

We only had a few hundred members then—and almost no money. There was no such thing as the internet, and personal computers were still a couple of years off. So things were a lot more basic. Mike had the bright idea to send a party card inviting all our members to celebrate Employee Ownership Week. To get across the message that this was supposed to be a celebration, Mike bought a lot of glitter to stuff in each card. We hand-typed labels, licked stamps and envelopes, and sent out a list of ideas with the card.

In a few days, we got a call (we did have telephones back then). Actually, a few calls. People opened up the card, and the glitter promptly fell to the floor or their desk, making a hard-to-clean mess. Well, it seemed like a good idea at the time.

Aside from the glitter, the concept proved to be a good one. A couple of years later, we started a poster contest. The ESOP Association embraced the idea. It became Employee Ownership Month, and companies around the country were holding picnics, playing games, giving out prizes, holding special communications events, inviting members of Congress to meet their employees, getting resolutions from mayors and governors, sending out press releases, and more. It is now an event most employee-owned companies seem to recognize in some way.

— Corey Rosen, NCEO Founder



*“So celebrate this month.
Just skip the glitter.”*

Why Employee Ownership Month Matters Today

Really, the entire country should be celebrating Employee Ownership Month. Employee ownership is not a partisan issue. Right, left, and middle agree that too many Americans have too little wealth. Just over 20% of all Americans have no wealth at all. Forty percent of Americans cannot cover a financial emergency with available cash, forcing them to borrow money, put it on a credit card, raid their retirement accounts (if they have one), or other less than optimal choices. Only about half the working age population has retirement savings of any kind; the median retirement account balance is zero. Demographic disparities are even starker.

This lack of access to wealth is economically, socially, and psychologically devastating. Wealth means options; wealth means security; wealth means we can plan for the future. With wealth, we can send our kids to college, take a chance on a new job or starting a business, handle an emergency, and much more.

About 14.7 million Americans are in ESOPs, which hold about \$2.4 trillion in assets. Because of the way ESOPs are structured, they inherently allocate resources more evenly than almost any other government incentives for wealth-building, such as 401(k) plans, federal housing loans and tax incentives for home ownership, small business loans, tax incentives for corporations, and many, many more that disproportionately benefit wealthier white people.

ESOPs are for the most part add-ons to other retirement plans. Participants in these plans accumulate 2.2 times the retirement assets of employees in other retirement plans and infinitely more than the roughly half the non-government working population that has no retirement plan at all.

In 2017, Nancy Wiefek of the NCEO, using data on millennials from the National Longitudinal Surveys of the Bureau of Labor Statistics, released groundbreaking research showing that the median household net wealth among respondents in employee ownership plans was 92% higher for employee-owners than for non-employee-owners; employee-owners of color have 79% greater net household wealth. The employee-owners also had higher wages and greater job stability.



The employees get more because the companies make more. ESOP companies are more successful with an ESOP than they would be without one. They grow faster, they are more innovative, and they make more money. Everyone wins, including the communities and customers.

Ways to Celebrate

With many companies having adopted a remote or hybrid set up, companies may have to get creative in their celebrations. There are plenty of ways to show appreciation for your employee-owners and your ESOP, whether in person at one location or dispersed across the country, or on Zoom.

Contests or Competitions that Embrace Creativity

Get employee-owners involved by holding a contest or competition. Many companies hold design competitions over something tangible like the company holiday card or a t-shirt for employee-owners. There's also room for something more abstract and open-ended, such as asking employee-owners to create something that represents the meaning of ownership to them. The resulting entries could be paintings, poems, skits, songs, or whatever else you deem appropriate (Hypertherm held a contest against another local ESOP company where EOs were tasked with creating large welded sculptures). Entries could then be photographed and hosted on your website, intranet or social media to display the talents of your employee-owners.

Some companies find employees who make up and perform a song about employee ownership and/or the company or create their own humorous skit. Live or video performances don't have to be artistic gems (but some are!)—just fun is good enough.



Reinforce a Sense of Community

PICNICS AND GATHERINGS

Host an outdoor company picnic with games such as cornhole, badminton, and other yard games. Integrating baking contests, pie eating contests and dunk tanks can be fun ways to create more engagement.

GIFTS

Send employees a gift or treat (e.g. cupcakes, mini-bottles of prosecco, etc.) and have a Zoom party.

VISIT ANOTHER EMPLOYEE-OWNED COMPANY

Employees from Harpoon Brewery were invited to visit Web Industries' facilities in Dayville, CT, to take a look at the company's events and celebrations during Employee Ownership Month in October. While there, members of the Harpoon team learned about Web's "ideas system," a program for harnessing ideas for improving company performance from each and every employee. They say the impact was huge. For Web, the program has been powerful. Every employee has ideas about how to make his or her job not just easier, better, or more efficient, but often how to create new products and enter new markets. After learning about how the program worked at Web, Harpoon decided to formalize its own processes to make the most out of employee ideas and celebrate the contributions of their fellow owners.

NEW PRODUCTS AND SERVICES

Employee Ownership Month can influence your products or services. Creating a new ESOP or Employee Ownership themed product is one way to celebrate and highlight what makes you unique. And if you don't make a public facing product, you can have a sale or promotion valid throughout the month of October.

Harpoon Brewing again embraced the spirit of ownership by brewing an ESOP-themed beer for Employee Ownership Month, naming the beer EHOP, sometimes collaborating with other ESOP brewery. They have also created an official club to ensure that social events for employees happen regularly.

Jackson's Hardware in San Rafael, CA, has an annual employee ownership month sale, with full-page ads in the local paper announcing the sale (and that Jackson's is proudly 100% employee-owned).

Educate and Reinforce Values

COMMUNICATE THE NOW OF ESOPS

If you are meeting in person, ask people to take 60 seconds to think about what would have happened if the company were not sold to an ESOP. Then call on people to see what they came up with. If not in person, ask them to send in their ideas via a chat or email.

Chances are, people haven't thought about this before. One of the most important things about being an ESOP is that the company was not sold to someone else—someone who likely would not offer all the same benefits or maybe even their jobs. Use this as a chance to talk about why you became an ESOP instead of being sold to another buyer.

TELL STORIES

If you have been an ESOP for a while, see if you can get some people who have left the company with high account balances to tell a story about what they have been able to do as a result. If you are a new ESOP, see if you can locate a more mature one in your area and ask them if they have any employees who want to tell the story of what it has meant for their company.

You can also have a story contest to come up with the best stories of great customer service, funny work experiences, terrific new ideas that employees generated, how people reacted when you told them you were employee-owned, etc.

Harpoon Brewery developed unique training sessions with the popular public radio “The Moth” storytellers to improve the way they communicate the story of their company and its ownership both internally and externally.

Advocacy and Service

HOST YOUR REPRESENTATIVES

Encourage your state or local representatives to support employee ownership. Emphatic local companies and advocates have received public proclamations (like in Indiana), been visited by state senators (like in Pennsylvania), and have even helped launch government departments (like in Colorado).

RAISE MONEY OR VOLUNTEER

Lots of ESOP companies use this month to energize support for a good local cause or volunteer at local organizations. The Employee-Owners of Vermont is a group that started in 2018 to work together to benefit Vermont communities. Each year they host a month-long foodbank fundraiser to giveback through donations and non-perishable food collections.

GET IN OR ON THE NEWS

Call up the local business editor at your hometown paper and/or TV stations and pitch a story. Tell them about why being an ESOP makes you a very different company and how important this idea is for your employees and the community. With a little persistence, you may get a good story!

In the past, some have used the opportunity to educate their government representatives and urge them to issue proclamations officially recognizing October as Employee Ownership Month, such as in Indiana.

That above effort was spurred by the Indiana Center for Employee Ownership. You may have a local state employee ownership center that can help you engage your congress person, mayor, or governor. Visit the [Employee Ownership Expansion Network](#) to learn more, or reach out to Tim Garbinsky at tgarbinsky@nceo.org.



Play Games

Games, often ones based on famous game shows like Jeopardy, Wheel of Fortune, Family Feud, etc., are a great way to have fun and relax while both reinforcing valuable ESOP or company education while also rewarding employee-owners. The below case study from Morton Buildings provides just one example of a well-thought out game you could play at your company.

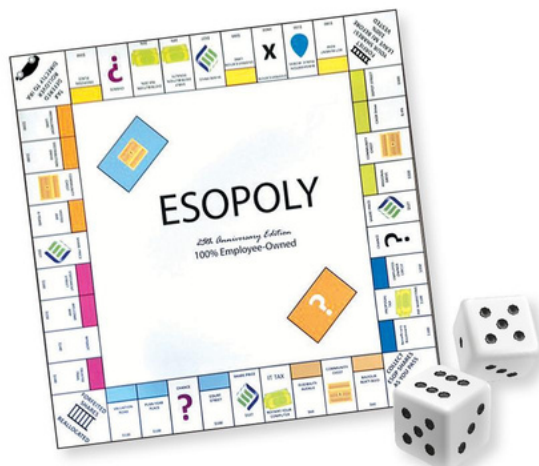
MORTON BUILDINGS—A CASE STUDY

Morton has a history of using company-wide games during Employee Ownership Month as a way to communicate ownership. Each game is designed with six touchstones, that games should be:

- Creative, fun, and engaging
- Incorporate competitive elements and prizes employees actually want
- Empower “champions” to help lead the cause and encourage participation and buy-in
- Encourage deskless employees to adopt company technology to engage with each other
- Set a communication plan to adequately inform employees throughout the event
- Drive employee behavior toward the culture you are striving for

The games, if successful, would elevate ESOP awareness, deepen the understanding of the benefits of the ESOP, spark enthusiasm, and inspire and motivate employees to act like they own it. (In fact, Morton uses the phrase “own it” in most of the things they do.)

One year, they played “ESOPOLY,” creating their own board. Another year featured the “Masked ESOP,” a take on a popular television show. Every day during the month of October, a video was made with an ESOP trivia question, while wearing one of the 25 masks that were made by employee-owners.



The game was to guess who the masked person was, along with the answer to ESOP trivia questions or employee engagement challenges. Clues were posted to help people with their guesses. It was a great way to learn about ESOPs and about other people at the company.

Another game was ESOP bingo, called “Mortingo” using the company name. The first step was to create bingo cards, print them, and get them out to everyone along with their own marker. There were 15 different layouts, with the numbers arrayed so that it was unlikely anyone could win in less than three weeks. The standard bingo rules applied. They created Mortingo T-shirts saying “Employee Ownership Month,” had a launch event video with people wearing the shirts and explaining the rules, and local employees helping run the show at each location. This team of ESOP ambassadors grew to 110 people.

The Hammer Times (their internal employee intranet) and Yammer apps allowed people to access the game on any device. One ball was drawn every day with an ESOP challenge (as described below). If employees successfully complete or respond to a challenge, they can mark their Bingo-style card until it’s full. Winners got a prize, a special drink bottle. Ten \$50 gift cards and other prizes were available in a raffle.

Challenges were divided into five columns:

- Owner spirit (recognizing people demonstrating ownership pride)
- Wisdom and legacy (reflecting on how Morton got to where it is or telling an inspiring story from a current or former employee)
- Now or never (do what you have been planning to do, such as taking a training course)
- ESOP facts
- Recognizing others for contributions to the ESOP other than ownership pride

Employees built a human hamster wheel for a pumpkin parade in town and then used that as a bingo wheel with white beach balls with numbers. A number was drawn every day. At the end of the week they posted a recap so people could see every single letter posted.

A teaser was sent out to get people to guess the game, and posters were sent to all locations. Post cards were sent to homes to share rules and get families interested. Social media posts were created. After a celebration of the winners, they did a survey, showing 508 employees from 98 locations completed the game, with twice that number of employees participating. Over 1,000 people posted something, including 3,033 #owner posts on Yammer. An encouraging 76% of employees found playing Mortingo helped them understand more about being an employee-owner, and 84% said playing Mortingo helped them interact with each other.

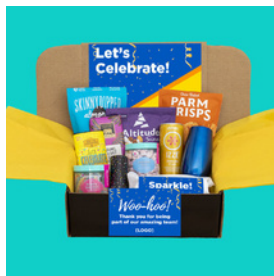
In the end, it was a great, fun event. Sandy has just one big word of warning: be careful about sending special M&Ms in the mail as a promotion—they melt!

How Other Employee-Owned Companies Can Help You Celebrate

NCEO members often look for creative ways to reinforce a sense of teamwork and community, especially when the company is dispersed, hybrid, or fully remote, and courtesy of two of our member companies, we have a suggestion. Hire an employee-owned company to send packages to all employee-owners at your company—these packages can connect people, celebrate milestones, generate engagement, and create meaningful shared experiences in a new virtual world. Two NCEO member companies, Crêpes à Latte and American Solutions for Business, are standing by to help.

CRÊPES À LATTE

Crêpes à Latte is an ESOP-owned experiential hospitality company that, in normal times, helps build booth traffic at over 200 tradeshows a year. Needless to say, this is a tough time for them. But like all good ESOP companies, they are resilient and employee focused, and during COVID launched their new #BetterTogether Box Program, designed to be sent directly to people's homes and containing treats, positive messages, and your logo. They can also include cards with their own background as an



employee-owned company and a message from you, and they've already put together a box for an ESOP company. Their offerings include items from other ESOP companies (nothing is better for ice cream than a waffle cone from employee-owned Joy Cone!), and we are working with them to identify more great products from employee-owned companies.

For details, contact Hailey Rosenstein (marketing@crepes-a-latte.com).

AMERICAN SOLUTIONS FOR BUSINESS

American Solutions for Business, a 100% employee-owned company, notes that even though in-person meetings are on pause, one fact remains: "people love



mail—especially lumpy mail and fun packaging." In addition to food and personalized greetings, they are also seeing companies send care packages to employee-owners with technology (from mouse pads to noise-cancelling headphones),

safety items (like branded face coverings), and socks, beanies, and blankets—what they call "Comfy Work From Home" items.

For more information, contact American Solutions for Business (verticalmarkets@americanbus.com).

Branded Company Swag Ideas

Hoping to incorporate branded swag giveaways as part of Employee Ownership Month (or any other month of the year)? NCEO member Simple Modern, a 100% employee-owned drinkware and consumer goods company, has you covered.

SIMPLE MODERN

Simple Modern exists to give generously. As a leading drinkware and consumer goods company, Simple Modern gives at least 10% of annual profits to communities around the world, equally millions in donations since the company's founding in 2015. The Oklahoma-based company offers premium quality products and unique styles for adults and kids at reasonable prices. Mission-driven and values-based, Simple Modern has grown into a category leader for many retail partners and serves customers in all 50 states and eight countries around the world.

For the 2024 NCEO Annual Conference in Tampa, Florida, Simple Modern provided NCEO-branded tumblers (pictured) for attendees to use during the event and beyond. The tumblers served as a great way to unite attendees in the spirit of NCEO events (and hopefully remind them of the NCEO's mission when they returned home).

For details, contact nathan.wood@simplemodern.com.



Need More Help?

Explore the NCEO's full array of digital and print resources to jump-start your Employee Ownership Month planning and find answers to your FAQs, or speak with the NCEO's membership team for answers to more specific questions.

THE DOWNLOAD

The Download is solutions-focused, member-exclusive content provided on a monthly basis. These resources have been designed for use by the employee-owners at your company and can be passed on as-is or with minimal adaptation to include the specifics of your plan. A selected resource will be emailed to members each month, and all content can also be found on this page, including a communication plan for anyone interested in annual planning. Sample resources include:

- ESOP Nuts and Bolts
- ESOP Entry Certificate
- Vesting Handout
- Ownership Rights and Responsibilities



EO MONTH TOOLKIT

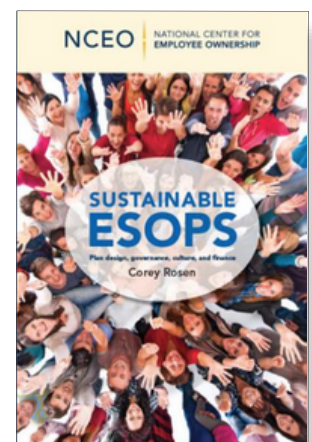
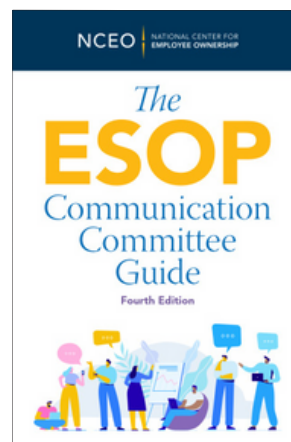
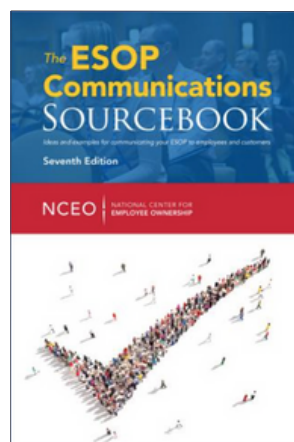
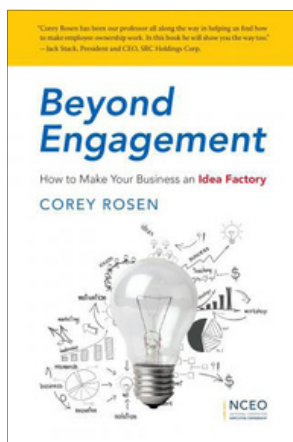
Employee Ownership Month provides us with an opportunity to celebrate, reward, and educate employee-owners and the companies they work for. This toolkit is designed to highlight the why behind Employee Ownership Month and to provide resources to assist with planning and execution. The toolkit is organized into the following categories:

- History and Significance of Employee Ownership Month
- Content and Planning
- Recognition and Celebration
- Learning from Other Companies



NCEO PUBLICATIONS

Dive deep into ESOP communications, culture, and sustainability from the comfort of your own couch. Here are some of our favorite publications help make your ESOP a rewarding place to work in October and beyond.



Contact Us

Still have questions? The NCEO's membership team can help! Reach out to us at membership@nceo.org.