ESOP Communication Committees

• Critical for ESOP companies to move forward with an ownership culture for participants
• Focus on providing proactive and educational materials for ESOP participants to ensure all participants become advocates for this unique, nontraditional benefit.
How can I create an impactful ESOP Communication Committee?"

1. Create/Update Communication Committee Charter
Communication Committee Charter

• Should provide guidelines for the committee chair and members to ensure they’re meeting and exceeding the expectations of the board of directors and senior management

• Should provide a mission statement and eligibility requirements for committee members along with a general outline of expectations

The Communication Committee Charter should be reviewed annually.
Communication Committee Charter

Table of Contents:
• Mission Statement
• Eligibility of Committee Members
• Length of Membership
• Frequency and Length of Meetings
• Expectations of the Committee Chair
• Expectations of the Committee Members

The Charter can include disclaimers specific to the company, such as: This Committee was created solely for the purpose of education and communication about ESOPs to the employee owners. It is not intended to solicit complaints or suggestions from employees. If you encounter these situations from employees, please direct those to the Vice President of Human Resources.
How can I create an impactful ESOP Communication Committee?

1. Create/Update Communication Committee Charter
2. Complete Committee Member Application Process
Committee Member Application Process

• Send out a video invitation explaining the mission statement.
• Include a link to an application.
• The message should be upbeat and direct about the vision for this committee.
• Explain the committee member term limit – 1 to 8 years.
• Encourage participation from members at different stages within their ESOP Lifecycle and from different departments (and locations) throughout the organization.
How can I create an impactful ESOP Communication Committee?”

1. Create/Update Communication Committee Charter
2. Complete Committee Member Application Process
3. Complete Committee Member Appointment/Election
Committee Member Appointment/Election

- Have the committee chair and the outgoing committee members review the applications.
- Nominate the prospective committee members that will support the committee’s mission statement.
- Have an election with the only limit being to have one committee member per department.

Make it fun – encourage campaign posters and open forums for candidates to share with their fellow ESOP participants what they are passionate about during committee meetings.
How can I create an impactful ESOP Communication Committee?

1. Create/Update Communication Committee Charter
2. Complete Committee Member Application Process
3. Complete Committee Member Appointment/Election
4. Plan/Execute Committee Meetings
Plan/Execute Committee Meetings

• Committees should set a calendar of action items, focused on **adhering to the mission statement**, for the next 12 months.

• Meetings should be held monthly or quarterly based on the number of ESOP events your company has.

• Meetings should have an agenda with minutes that should be provided to senior management to keep them up to date on the annual calendar and action items.
How can I create an impactful ESOP Communication Committee?

1. Create/Update Communication Committee Charter
2. Complete Committee Member Application Process
3. Complete Committee Member Appointment/Election
4. Create Committee Calendar of Meetings
5. Get Feedback
Get Feedback

• Feedback after events ensures that your ESOP-related messages are truly impacting your company’s participants.

• You can start with asking for feedback/suggestions before the application and election process begin to ensure you are creating meaningful and significant educational materials/events.

Many companies use SurveyMonkey with six or fewer questions to solicit this information.
Self-Assessment Questionnaire

1. How many members are on your ESOP Communication Committee?
2. Are these members appointed or voted on to the committee?
3. What are the term limits for committee members?
4. How do you educate participants currently? Is it effective? How do you track your results?
5. Do you provide any education on culture and communications to improve engagement throughout the company?
Self-Assessment Questionnaire

6. Do you have C-level executives on your ESOP committee?
7. How does the ESOP committee communicate with Senior management?
8. How do you communicate the minutes from the meetings to all employees and senior management?
Self-Assessment Questionnaire

9. What kind of games and quizzes do you use during Employee Ownership Month in October?

• Jeopardy
  • Bingo
  • Crossword
  • Costume Party
  • Spirit Week
  • Executive Breakfast

• CEO – Certified Employee Owner Pins
  • T-shirts
  • Q & A sessions with the audience
  • Plan Trustee breakfasts
  • Guess the share price game
Self-Assessment Questionnaire

10. Does your committee have involvement with new hires? Provide a glossary of terms?
11. Are your meetings up to anyone to attend? Open house style?
12. Do ESOP Committee members attend interviews? (Culture interview panel of individuals from different departments to ensure the potential new employee would fit the company’s culture)
13. How as a committee do you measure feedback from your events?
Self-Assessment Questionnaire

14. What challenges do you face as a committee?
15. How do you communicate with remote employees?
16. How often does your committee meet?
17. Do you have a formal process for onboarding new committee members?
18. Required attendance of committee members? Is the state of the business meeting mandatory? Are “fun” activities required?
Self-Assessment Questionnaire

19. Do you struggle with educating people about their unique, nontraditional ESOP benefits?
20. How open are you with the company’s financials?
Looking for help with your ESOP culture and communications?

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