

Employee Ownership in Britain 2014

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The initial findings from a major new piece of research by the Employee Ownership Association (EOA) and the White Rose Centre for Employee Ownership provides the first definitive assessment of employee ownership in Britain.

The findings will be announced by Iain Hasdell, Chief Executive of the EOA at the annual Employee Ownership Association conference in Nottingham today.

The research reveals: That almost half, 46%, of the companies surveyed have become employee owned since 2010 and 70% of those surveyed have seen the quality of their products and services improve since becoming employee-owned.

Over half, 55%, report better financial performance since becoming employee owned with 57% reporting better labour productivity.

Iain Hasdell, Chief Executive of the Employee Ownership Association said:

“Employee owned businesses are competitive, more productive and resilient to economic turbulence. It’s particularly interesting to see the increase in the move to employee ownership since 2010. Many are waking up to the fact that employee ownership offers greater sustainability for businesses in the longer term.”

87% of employee-owned firms operate in markets that are highly or very highly competitive.

The research shows higher levels of engagement in employee-owned firms with many involving their employees in the decision making of the company and using regular communication to keep staff informed. 93% provide information to employees on the financial position of the company several times a year compared to 60% of non-employee owned workplaces* and 66% use problem-solving groups several times a year compared to 13% of non-employee owned workplaces. *

65% of employee owned firms introduced technically new or significantly improved products and services compared to 33% of those in non employee-owned companies.*

62% of employee owned firms upgraded their technology and work processes in the last two years compared to 48% of those in non employee-owned companies* and 65% changed their work techniques and procedures compared to 44% in industry.*

Andrew Pendleton, Professor of Human Resource Management, University of York, said: “This is the first step in a unique collaboration to assess the impact employee ownership is making in Britain today. The launch findings show that the economic contribution of employee ownership in the UK is significant and growing.”

*Workplace Employment Relations Study of British workplaces (WERS).

Source: <http://employeeownership.co.uk/news/employee-ownership-britain-2014/>