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Heatherlea goes wild for EO!

Heatherlea, one of Scotland's leading wildlife touring companies is now in employee ownership! Originally formed by Kevin and Caryl Shaw in Boat of Garten in 1991, Heatherlea moved to Mountview Hotel, Nethy Bridge in 1998, growing to run holidays throughout the Scottish islands, and overseas from 2003. Heatherlea has gradually expanded due to customer demand, and growth accelerated by an average of more than 10% in each of the five years up to April 2020.

Managing Director Kevin Shaw said: "During 30 years enjoying birding tours in Scotland and worldwide, we sought to make Heatherlea a friendly company giving exceptional personal service. Heatherlea is unusual among birding tour operators in that the company owns its hotel in Nethy Bridge, and this makes us financially strong. We wanted to secure this valuable asset, and also reward each member of our team with the chance to thrive in their employment. We decided that employee ownership is the best choice for our clients, staff and suppliers in Scotland and around the world. I'm delighted to put a succession plan in place which

benefits everyone associated with Heatherlea".

While Kevin will continue in his role as Managing Director for the foreseeable future, the new Employee Trust also features both an employee representative and an independent trustee on its Board.

Heatherlea recently resumed operations in Scotland, and all guides, hotel and office team members are looking forward to a successful season. Fergus Ewing, local MSP and Minister for Rural Tourism, congratulated Kevin on this innovative move; "All over Scotland, people like Kevin have been working flat out to reopen and restart, but also observe the Covid rules and protect their guests. I warmly welcome the restart of tourism after a long and difficult year, and I hope we see the public taking a staycation to enjoy the magnificent experiences Scotland has to offer".

Kevin chose employee ownership after consulting with others who had benefited from a similar course. "I was impressed that everyone inside these companies

(Continued)

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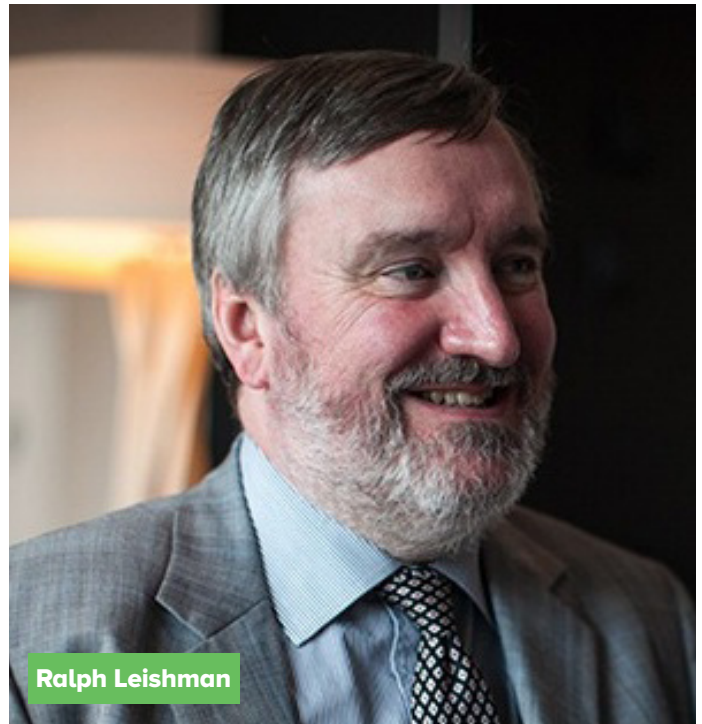
**Trustee
Training**

July 23rd

**For full
details, head
to page 11.**

had a vested interest in their collective future. We all work hard for each other, and employee ownership is just one more step forward on a successful journey for this lovely little company, which is looking forward with confidence as we enter our fourth decade.”

The transaction completed on 5th July, supported by Employee Ownership Specialist, Ralph Leishman. Ralph says, “It was great to work with another of Scotland’s fantastic businesses on their move to employee ownership. Kevin Shaw chose employee ownership as it worked best for the employees and for the loyal customers. Interest in the EOT has never been so high and companies like Heatherlea are prime examples of visionary leaders prioritising sustainability and stability for their business. This is going to be a record breaking year for the number of employee ownership transitions in Scotland.”



Andrew Allan promoted to Sales Director at Clansman Dynamics

East Kilbride engineering firm, Clansman Dynamics, is delighted to announce that Andrew Allan has been promoted to the position of Sales Director. Andrew joined Clansman straight from university having completed his degree in Mechanical Engineering in 2013, following a 4 month summer placement in 2012. Andrew took on a full time sales position in 2017. Andrew has also served as employee-elected Director and is relinquishing that post to assume his Executive Director role.

Andrew says “It’s a particularly exciting time for Clansman Dynamics. The company has continued to grow in size and turnover since the move to employee ownership in 2008. The past 18 months have been extremely challenging but we have come out the other side in profit and in a very strong position, with a healthy order book well into 2022.

Employee ownership provides a sense of pride in every piece of equipment that we



produce- this ensures only the highest quality of product leaves the factory. Employees are engaged in how the business is run and can all benefit from our successes.”

Outside of work, Andrew enjoys hockey, golf and tennis.

OAUK News

Employee ownership requires a different form of leadership. The old-fashioned “command and control” style doesn’t work when the leader is accountable to the people they lead. Indeed, I remember one leader of an employee-owned business telling me that she felt that being CEO of an employee ownership felt like “leading in a goldfish bowl”: she was open to much more scrutiny and challenge than she had been in other businesses in which she had worked.

In an employee-owned firm, you are creating value for everyone in the business, not some remote, external shareholder. Quite often, you’re also responsible for preserving the legacy of the founder, maintaining a business that is an important part of a community, and managing varying expectations of what employee ownership might deliver. It’s a lot more complex than managing a business where your only focus is maximising the annual dividend!



It was a real privilege to be involved in ground-breaking work being undertaken by Dr Rick van Doel of the Indiana Centre for Employee Ownership. Dr van Doel is exploring leadership as a form of stewardship, looking particularly at whether businesses owned by their employees demonstrate a more inclusive and collective form of leadership than conventional businesses. Having completed a US study, Dr van Doel is



looking at international variations in employee-owned businesses and surveyed a number of Scottish companies. We presented the findings at the Beyster Conference at the University of California. (Unfortunately for me, it was a virtual conference so I didn’t get to go to San Diego!) You can see our presentation [here](#). It was encouraging to see that the Scottish companies compared very well to the US sample, with Scottish leaders demonstrating inclusive leadership behaviours. We plan to do a full report in a future newsletter, once we have debriefed the Scottish participants. Thank you to all the Scottish EOB leaders who took the time to complete the survey.

EO Day saw the annual announcement of the growth in the number of employee-owned businesses in the UK. It was great to see such a significant rise with 730 UK firms owned by their employees as of June 2021. The figure last year was 470. The full report has not yet been released and it will be good to get into some of the detail and see where the trends are.

And it’s not all about the numbers. Employee-owned firms continue to push the boundaries of performance and set high standards in the sectors in which they operate. As we can see from the number of awards in this issue, Scottish employee-owned companies are excelling at what they do and really do help reinforce employee ownership as a successful business model. Well done to every one of you!

Thanks again to everyone who has contributed to this newsletter. It’s a joy to read such inspiring stories.

- Carole

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First EOT in Australia!

Australian design agency, Meld Studios, is the first Australian company to adopt the Employee Ownership Trust. The award-winning firm, with offices in Sydney and Melbourne, pursued employee ownership because they wanted to create a sustainable business and culture that fits with their mission and served as a succession plan for the three founders and owners. They were keen that all employees had a stake in the business.

Meld were supported by UK lawyer Graeme Nuttall OBE and Employee Ownership Australia.

Meld Studios Co-Founder and Employee Ownership Australia (EOA) Board member Janna DeVyllder says “We’ve spent 11 years building a mission based business from scratch and we want to ensure that it has the chance to continue having impact beyond our time and involvement as founders. Becoming employee owned by trust is the key to unlocking longevity for Meld, ensuring our people collectively have a say in how Meld operates today and well into the future. Whilst we know there are other types of employee ownership, the EOT is the one that gives all of our employees influence and access to our success for the long term.”

Meld Studios employee Morgan Williams says “Becoming an employee-owner has shifted my perspective from working somewhere great to feeling like I can really play a role in the company’s direction - it is a new responsibility, opportunity and privilege”



Graeme Nuttall OBE, of Fieldfisher law firm, was responsible for introducing the EOT model in the UK, advised EO Australia on how the EOT can be adapted for the Australian legislative and tax environment.

Graeme says “The main reason why so many new EOTs are created each month



in the UK is the EOT’s success as a succession solution for private company owners. Selling to the trustee of an EOT avoids sharing trade secrets with competitors and gives control over timing. It also secures legacy, independence and ethos at the same time as rewarding and incentivising those who make a company successful, its employees. These are values that apply internationally and I look forward to seeing the widespread adoption of the EOT business model in Australia.”

EO Australia Chair Andrew Clements says “We have been assisted by Graeme in developing an employee ownership trust structure for pilot company, Meld Studios. There has been significant interest from small businesses following our work in relation to EOTs. It is a model which is regarded as providing a very effective tool for employee ownership without the complexities of allocated employee share plans.”

The establishment of an EOT in a business originating in Australia marks a significant step towards the widespread adoption of the model by businesses across the country – in the UK over 420 EOTs (with tens of thousands of employee-owners) have already been established since the EOT was introduced in 2014. The EOT is also being utilised in the US and is on its way to being established in Canada, with the Canadian federal government recently announcing a commitment to explore the EOT framework as part of Canada’s economic recovery.

Scottish Care at Home Awards

Two of our employee-owned businesses were winners at the prestigious Care at Home & Housing Support Awards earlier this month.

Charlene McKellar of **Aspire** won the Emerging Talent Award. This award recognises someone working in care who despite being relatively new to working in the sector, has already made a significant impression. Charlene is a Housing Support Worker and has been working with Aspire since June 2020. Charlene used to live in the Aspire resettlement service, coming through her journey of getting out of homelessness. The entire Aspire team are delighted that Charlene has been recognised in this way.

Highland Home Carers also had a win. Laura MacLeod, who accesses support from the Highland Home Carers in Ullapool won the Outstanding Achievement category.

This award celebrates the lives of individuals and their continued achievements whilst being supported at home, whether they have overcome difficulties, tried something new, accomplished something they didn't think they could or taken



steps to enhance their lives or those of others in the community.

Celebrity Michelle McManus presented the awards at a virtual event on Friday 25th June.

More wins for Aquascot

The 2021 SCDI (Scottish Council for Development and Industry) Highlands and Islands Business Excellence Awards were held on Thursday 24th June, in an online ceremony hosted by comedian/impressionist Alistair McGowan.

Aquascot were nominated for two awards on the night — The Open University in Scotland Award for SME Enterprise of the Year and the SCDI Award for Excellence in People Development — and the company were truly over the moon to be awarded the Gold Award in the latter category, while picking up Bronze in the other. As a business that advocates strongly for Employee Ownership and believes investing in people to be the way forward, this has been a particularly pleasing award success, and we acknowledge the immense contribution of our partners in making it happen.



Connecting sectors and communities for social good:

Employee volunteering digital platform offers SMEs a new way to 'give back'

Just over a year ago, Social Good Connect was launched, six months ahead of schedule. The purpose-led social enterprise is powered by a team of passionate humans making employee volunteering simple through a smart search and match platform. Over 200 Scotland-based businesses and charities - many UK-wide - have joined its community, including DC Thomson, Ooni, 20/20 Business Insight, Tayside Cancer Support and Marie Curie.

It's a simple model where businesses of all sizes and industries become members, paying a monthly subscription. Together they encourage and support their employees to volunteer their time and expertise. With that support and in a multitude of ways for every kind of charity, hundreds of skilled professionals have been helping overstretched charities and struggling communities. As Calum McPherson from Golphin put it, "if you can help your people contribute to society by helping them volunteer on work time in a supportive framework, why wouldn't you?"

There's no catch: once a firm is signed up, its employees choose a cause that matters



to them and matches their skills and interests, and they apply to take on a volunteering role for a charity. Businesses cite a noticeable morale-boost and improved sense of purpose. Staff wellbeing and morale is one of the biggest reasons for joining the community that CEO and founder Caroline McKenna hears.

"The companies who join us tell me that employee volunteering makes business sense and is simply the right thing to do. You're helping employees grow a sense of purpose and wellbeing in what's been a challenging time, you're making a big difference to charities who need skilled help, and you're helping your firm retain a motivated workforce and meet its social impact goals."

Social Good Connect connects employees to pressing social needs in the communities where they live and work. In businesses where volunteering is seen as part of work and part of life, there are moving stories of impact, be it practical contributions to an elderly person's life or a one-off placement in a children's health project. Since launch, the non-profit enterprise has seen lawyers befriending and supporting cancer sufferers, engineers helping retirees with IT frustrations, HR managers helping charities set up HR frameworks, golf course assistants working as greeters at vaccination centres - the list goes on!

www.socialgoodconnect.org



Case study: next page



20/20



Phil Jefferies

Making an impact: 20/20 Business Insight

Case study

Phil Jefferies, Employee Trustee at 20/20, described his experience:

“We’re a 16-strong employee-owned company working in project management training and certification. We’ve developed a strong culture of people wanting to give back, and Social Good Connect has helped us help others in a really flexible way.

The pandemic brought to the forefront the importance of the mental health and wellbeing of our people when everyone’s working remotely. Giving back improves wellbeing, and it made sense to join a team that connects us to a whole range of ways to give back. The bespoke matching really appeals, as does the availability of virtual micro-volunteering roles, which we were less aware of before.

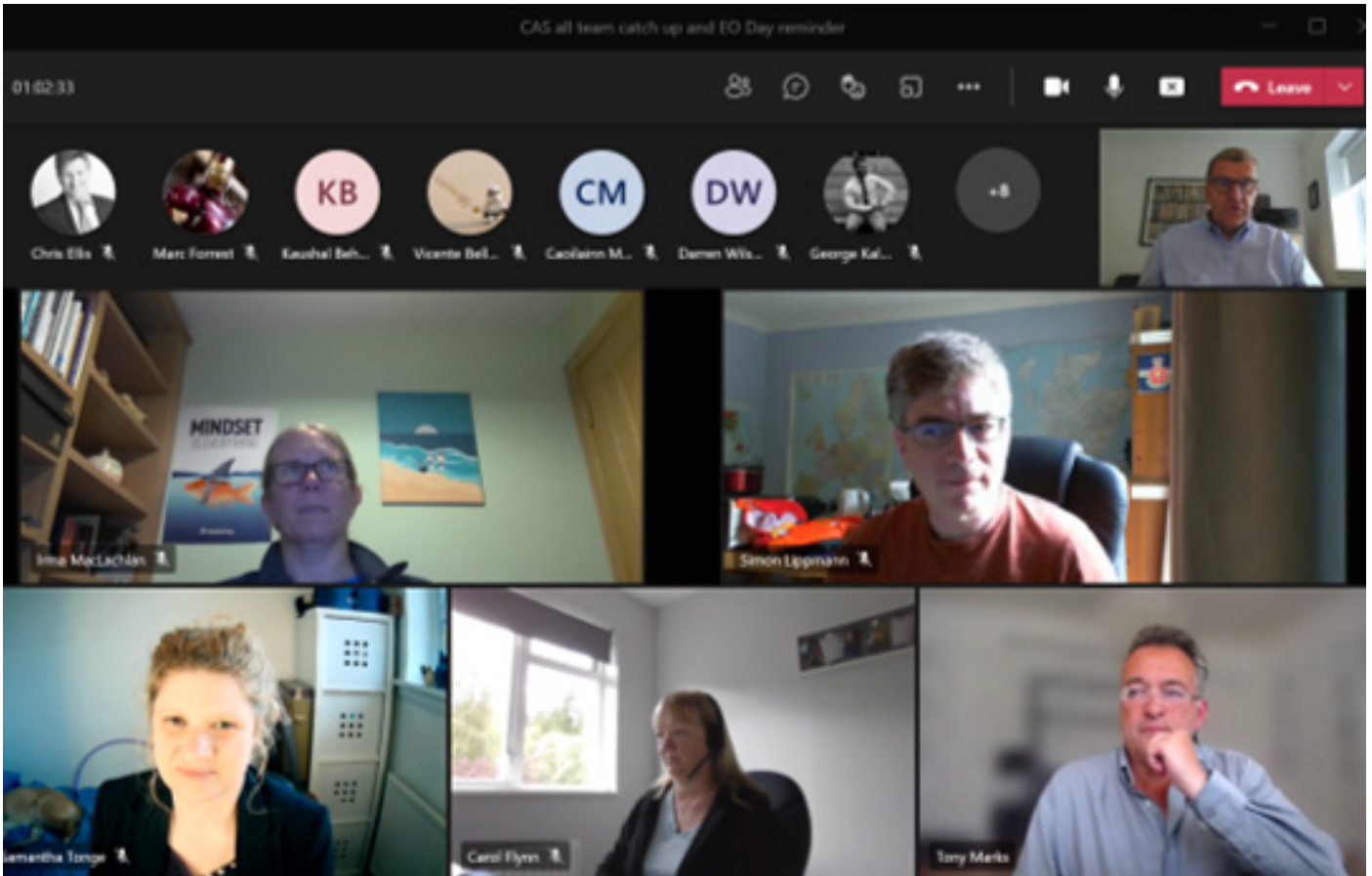
We signed up in March. Employees who registered interest regularly receive two or three potential matches a week. One of the first and most unexpected matches was a role that urgently needed three project proposals to be written for the Aberdeen Multicultural Centre, pitching for

large-value community projects. My day job is business development, so it was a great fit.

We’ve made a concerted effort to lead by example. Our CEO has just been accepted as a business mentor at the Prince’s Trust - an ongoing assignment helping a young person from a disadvantaged background to set up a business. None of us envisaged that type of role when we first discussed volunteering – you maybe consider befriending someone or helping at a hospice. The sheer breadth of opportunities is impressive.

The other major benefit is the networking and sharing element, Through Social Good Connect we’ve made some really useful connections with businesses and charities and got to learn how other companies have tackled the unique challenges of the last year. There’s a real sense of community.”

Social Good Connect will be joining us on 25th August at 12.30pm for a discussion on all things people, social impact and business for good - details to follow!



CAS & 20/20 join forces for EO Day

To celebrate EO Day, CAS Workpro invited Tony Marks of 20/20 Business Group, to join the Castodians’ celebrations and give some insight into 20/20. His presentation went down a storm! Ken Naismith says:

“Tony’s talk was inspiring; their business bookings were more or less cancelled overnight when Coronavirus implications started to bite but the team at 20/20 worked fast and smart to adapt their business model – pivot, is the jargon used in these circumstances. They certainly turned things around on a sixpence to respond to new ways of working.

While we’re different businesses at different stages there were many parallels to CAS, particularly in company values. The core themes focus on the trust, respect and empowerment that almost always accompanies employee ownership.



Now that the relationship has been begun, we intend to swap ideas and experiences from nurturing employees’ mental health to effective incentive schemes and lessons learned to better serve customers while sustaining the respective businesses.”

Pay Your Way!

ETHICALLY minded firm Jerba Campervans presented at an online Scottish Parliament briefing on fair tax to highlight the issue of corporate avoidance.

Simon Poole, Co-Founder of Jerba Campervans, spoke to a group of cross-party MSPs at Holyrood in June. Chaired by the Cabinet Secretary for Rural Affairs and Islands, Rhoda Grant, the presentation highlighted the importance for all businesses to 'pay their way'. The briefing comes during **Fair Tax Week** – a UK-wide recognition of the companies and organisations that are proud to promote responsible tax practices.

With an estimated £7bn of UK corporation tax receipts still going astray because of profit shifting alone, the briefing explored why corporation tax matters and what government can do to incentivise more businesses to focus on ethical practices, pushing more money towards social impact.

The employee-owned campervan converter has been Fair Tax Mark accredited since January 2021, after demonstrating how its ethos applied throughout its business, from its commitment to work-life balance and paying the living wage, to its tax arrangements, supplier relationships and customer care.



Simon said: “Tax is vital for funding public services and creating a balanced and fairer economy for everyone. It is important in creating a level playing field within business by encouraging all firms to pay their fair share of



Simon Poole

tax and not to continually seek loopholes where profits can be sheltered away.

“In an age where too many multinational firms take advantage of profit shifting and international tax havens, anything we can do to raise the profile of good and honest tax practice can only be a positive thing.

“In speaking at the briefing, Jerba hopes to raise awareness of the importance of the Fair Tax Mark accreditation and help rework the thinking around tax legislation in the hope that more businesses will follow suit.”

The Fair Tax Mark was launched in February 2014 and is now one of the underpinning objectives of the Good Business Charter. The charter seeks to encourage and recognise organisations that pay the right amount of corporation tax at the right time in the right place.

More than 60 businesses have now been certified by Fair Tax Mark, including several employee-owned firms such as VME Retail, Lush, and Richer Sounds.

To find out more about Jerba Campervans, visit www.jerbacampervans.co.uk.

To find out more about the Fair Tax Week: <https://fairtaxmark.net/supporters/fair-tax-week/>.

New Appointment

Tom Vincent becomes CEO of 20/20 Business Insight

Earlier this month, **Tom Vincent MEng MAPM CMgr** became the CEO of 20/20 Business Insight, responsible for all aspects of that business' management including profit & loss, strategy, and leading the 20/20 Business Insight Board. This is a major step for the business in the execution of the succession plan following the company's transition to Employee Ownership in 2018.

Tony Marks remains CEO of 20/20 Business Group of Companies which comprise 20/20 Business Insight, 20/20 Intellectual Property and 20/20 Business Group Inc. His role includes providing support to 20/20 Business Insight and other Boards, Group Strategy and building shareholder value for the 20/20 Employee Ownership Trust.

Tony Marks, CEO of 20/20 Business Group said: '20/20 developed a succession plan when it became employee-owned and Tom's progression to CEO of 20/20 Business Insight is a key element of this. For 20/20 to continue to grow and thrive it needs to harness its emerging talent with its new ideas and energy. I look forward to supporting him in his new role.'

Commenting on his new role, Tom Vincent added: "20/20 is an excellent company, with a strong customer base and fantastic people



delivering excellent results for our clients daily. I feel proud of the progress we have made as a team since becoming Employee-Owned in 2018 and I feel humbled, yet excited about the prospect of leading the company through the next stages of its strategic development."

Tom continues, "This year, **20/20 Project Management Training** celebrates 3 years of employee ownership. We are proud to be employee owned and we have seen many benefits in our short journey."

As part of EO day celebrations, the company launched a new section on their website which outlines the history of why they became employee owned, the benefits it provides and some examples of how it's used in practice. You can see the page [here](#).

EO Day at Stewartry Care

The fabulous employee owners of Stewartry Care usually come up with some innovative ways to recognise EO Day. Due to the current restrictions, there couldn't be any barbecues or garden parties, and the leadership team wanted to recognise the immense effort the staff have invested in making sure that everyone gets the best of care in these challenging times.

The company engaged a local firm to put together treat hampers for all of the staff. As you can see from the photos, they were very well received!



20/20 wins Silver Award

20/20 Business Management won a Silver Award for E-Learning in the recent UK Business Awards. The employee-owned firm also were placed in the top 10 for the Customers' Choice award, and were finalists in three other categories: Best Place to Work SME, Health & Wellbeing, and Best Business Response to the Covid Crisis.

Congratulations!



Forthcoming Training

Trustee Training 23rd July

This two hour session aims to equip Trustees to fulfil what is a pivotal role within the employee-owned company. The session is in two parts and is delivered over Zoom. You can join for both parts, or if you have already attended Part 1 or a previous session, you're very welcome to join only for Part 2.

Part 1: Information giving – legal duties of trustee, responsibilities, the Trust deed, the Trustee role. 9.30am – 10.30

Part 2: Case Study – group work on a trustee dilemma in an employee-owned company. All groups work on same case study, come together to report on discussions. Everyone says this is tremendously useful. 10.30 - 11.30

Employee Director Training - Coming Soon

There will be a programme tailored specifically for Employee elected directors launching in the Autumn. More information in next issue. This programme will cover:

- Legal Responsibilities of directorship
- Effective Board meetings
- Trustee/Director/Management relationships
- Assessing company performance
- Interpreting financial information
- Evidence based decision making
- Goal setting
- Strategy
- Engagement

To register your interest email carole@ownershipassociates.co.uk