

ESOP UPDATE

Information about your Employee Stock Ownership Plan (ESOP)

Can 20 minutes a day = \$1 million in value?

If your company has an Employee Stock Ownership Plan (ESOP), sometimes it is difficult to see whether your daily job-level actions make a difference. Each employee contributes to your company's ability to meet its business goals, but does it really matter how you use your time?

Let's say 50 employee-owners found ways to use just 20 minutes a day more effectively — working smarter, reducing wasted time, making good use of co-workers' time, improving the efficiency of meetings or eliminating extra steps in a process. How might 20 minutes per person add up with these assumptions?



- ⇒ **20 minutes X 260 working days a year = 86.7 hours per person a year.**
- ⇒ **86.7 hours X 50 people = 4,335 hours a year (more than 2 full-time people).**
- ⇒ **If your company continues to grow, these efficiencies allow the company to increase sales without hiring new people as fast.**
- ⇒ **The one-year savings of not hiring two more people could easily add up to \$60,000- \$200,000 in pay, benefits, hiring costs and training costs saved.**
- ⇒ **This can mean 3-6 times these annual savings in added company value, because of how future earnings are treated in many business appraisals.**
- ⇒ **That's how 20 minutes a day might add \$180,000 – \$1.2 million (or more) to overall company value. This change could increase the per share value of all the company stock held in your ESOP account.**

