

## The Ownership Decision Compass

### An Ethical Framework for Employee-Owned Businesses

Employee ownership makes decision-making a shared act of stewardship. This framework helps leaders, managers, and employee-owners pause, reflect, and act with integrity, balancing purpose, people, and performance.

Step	Question	Core Focus
1. Recognise	What future am I shaping?	Moral awareness
2. Clarify	What do we know and value?	Facts + values alignment
3. Weigh	Which choice best honours purpose?	Ethical reasoning
4. Commit	How will we act and explain it?	Courage + communication
5. Reflect	What did we learn?	Continuous improvement

#### Step 1: Recognise the responsibility

*What future am I shaping through this decision?*

- Notice when a choice affects people, principles, or the long-term purpose of the business.
- Consider the ripple effects on employees, customers, community, and environment.
- Acknowledge that this is not just a business issue but an ethical one.

**Example:** A leadership team realises that delaying equipment upgrades might compromise safety and environmental standards.

#### Step 2: Clarify the facts and values

*What do we know, and what do we stand for?*

- Gather relevant data, legal guidance, and stakeholder perspectives.
- Surface the organisation's stated values and ownership principles.
- Seek employee input to reveal unseen impacts or trade-offs.

**Example:** Managers consult employee-owners and sustainability partners before finalising cost-saving options.

### Step 3: Weigh the options fairly

*Which choice best honours our shared purpose and values?*

- Apply ethical “lenses”:
  - **Impact:** Which option creates the greatest good and least harm?
  - **Fairness:** Who gains or loses, and is that equitable?
  - **Rights & Respect:** Does this protect people’s dignity and voice?
  - **Virtue:** What decision reflects who we aspire to be as owners?
- Balance rational analysis with intuitive ethics.

**Example:** The team balances financial prudence with fairness, deciding on a partial bonus deferral rather than a full cut.

### Step 4: Commit and communicate with integrity

*How can we stand behind this decision openly?*

- Test transparency: would you be comfortable explaining it to every employee-owner or publishing it publicly?
- Have the courage to act consistently with your principles.
- Communicate clearly, including the reasoning and learning behind the choice.

**Example:** The MD explains the bonus decision in a company meeting, outlining how it safeguards long-term investment and jobs.

### Step 5: Reflect and learn for the future

*What did we learn about ourselves as owners?*

- Review outcomes and gather feedback.
- Celebrate when values guided good outcomes; adjust where decisions fell short.
- Feed lessons into governance reviews, leadership learning, or cultural development.

**Example:** After performance improves, leaders and employee-owners review the process, strengthening trust and updating decision principles.