

Exercise 6.1

Assessing an ownership structure

Assume that you are a director of a company that is considering transferring ownership to its employees. You have been asked to assess the different ownership options available to the company and give a recommendation to the board. Specifically, the board want advice regarding how ownership should be distributed amongst employees and how the employees are to participate in ownership. Provide an assessment (strengths and weaknesses) of the different options that are available to the company.

