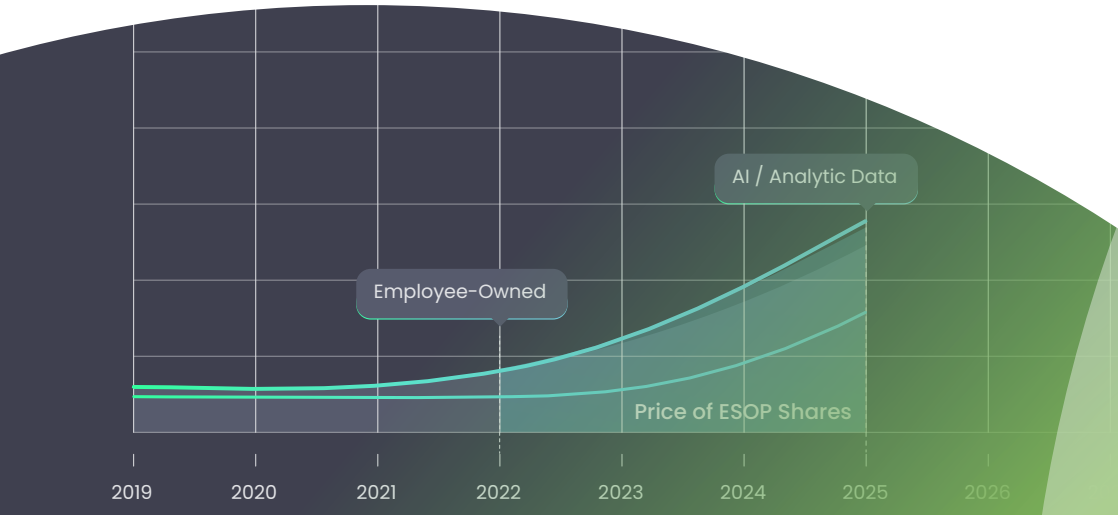
Data Literacy for Employee-Owned Businesses



DEANALYTICS

Praise for Deanalytics:

For more than a year, the Employee Ownership Expansion Network (EOX) has worked with Deanalytics, and the impact has been transformative. Deanalytics has proven to be a trusted, versatile partner at the intersection of AI, analytics, and employee ownership.

-By intelligently organizing data, Deanalytics has saved us countless hours and increased our strategic engagement with the right businesses.

-They took the time to understand our mission and real challenges, helping our state centers and offices identify high-potential employee ownership prospects and streamline outreach.

-They excel at uncovering high-value opportunities hidden in data and making advanced analytics and AI accessible to employee-owned and mission-driven organizations.

Most importantly, Deanalytics delivers actionable, human-centered analytics that empower our team and partners to focus on what matters most: growing the employee ownership movement. I confidently recommend Deanalytics to any organization seeking a data partner that truly understands and elevates their mission.



Steve Storkan
Executive Director, Employee Ownership Expansion Network (EOX)

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Introduction

Imagine working at a company where every employee—from the welders and electricians on the shop floor to the HR and compliance folks in the office—owns a piece of the business. That's what happens in employee-owned companies, often through Employee Stock Ownership Plans (ESOPs). The better the company performs, the more everyone benefits.

ESOPs motivate employees and boost performance across a company. Studies show employee-owners are four times less likely to be laid off during tough times, and their companies tend to grow faster than non-ESOP firms.

But ownership on paper isn't enough. **To act like an owner, you need to think like one.** That starts with understanding the numbers.

For decades, financial literacy was the foundation of that ownership mindset. Teaching employees how to read a balance sheet, understand margins, and track costs has helped ESOP companies build transparency, trust, and wealth. As our workplaces evolve, there's a new frontier of literacy that matters just as much: **data literacy, i.e. the ability to read, understand, and use data to make informed decisions.**

When employees understand the data and use it to drive improvements, everyone wins: ***the company grows, and the employees' retirement accounts and livelihoods grow with it.***

For decades, financial literacy was the foundation of that ownership mindset. Teaching employees how to read a balance sheet, understand margins, and track costs has helped ESOP companies build transparency, trust, and wealth. As our workplaces evolve, there's a new frontier of literacy that matters just as much: *data literacy, i.e. the ability to read, understand, and use data to make informed decisions.*

Data literacy is becoming essential at every level of an employee-owned company, even for non-specialists. Whether it's sales figures, quality metrics, or safety reports, these numbers tell the story of your business. When employees can make sense of that story, they don't just do their jobs, they also improve outcomes and enhance their ESOP benefits. As Jack Stack (a pioneer of open-book management) put it, giving employees the knowledge of the numbers helps "give the wealth to the people who create the wealth" in a company.

When employees understand the data and use it to drive improvements, everyone wins: the company grows, and the employees' retirement accounts and livelihoods grow with it.

As Jack Stack (a pioneer of open-book management) put it, giving employees the knowledge of the numbers helps *"give the wealth to the people who create the wealth"* ***in a company.***

What this guide offers

At Deanalytics, we've worked with employee-owned businesses across industries to help strengthen performance through better data understanding, so we created this resource to share what works. This is a practical, plain language guide to **data literacy for employee-owned businesses**, focusing on what you need to know and do.

In these pages, we'll explore:

- Why data literacy matters in an employee-owned business
- Key business and operational metrics every employee-owner should know
- How to build a company-wide culture of data use and curiosity
- Tools to get you started, including a data dictionary and a data committee charter

The goal is to help you, the employee-owner, feel informed and empowered by information, not intimidated by it.

You don't need to be a finance expert or a data scientist. If you know how to ask good questions, notice patterns, track what matters, and communicate what you find, you already have the skills to become data-literate and to lead from wherever you sit.

Here's how this guide will help:

Part 1 explains *why* data literacy matters. We connect it directly to employee ownership, showing how understanding information fuels stronger businesses, deeper engagement, and better outcomes.

Part 2 introduces the *core data concepts* every employee-owner should know. We break down financial fundamentals and operational metrics in plain language and explore habits that make data more accessible.

Part 3 focuses on *building a data-driven culture*. From leadership transparency to peer learning and shared problem-solving, we explore how companies can turn individual data skills into a collective advantage.

Part 4 offers two practical tools—a **Data Dictionary** and a Data **Committee Charter**—to help sustain your efforts. These give your team structure, clarity, and long-term consistency.

Finally, the **Conclusion** ties it all together, showing how data literacy isn't just a technical skill, it's a mindset. One that helps everyone in an employee-owned company contribute more meaningfully to shared success.

Let's dive in and see how becoming data-savvy can make employee-owned businesses stronger for everyone.

Part 1: Why data literacy matters in an employee-owned company

Ownership depends on insight

Employee ownership creates a strong incentive for everyone to help the business succeed. Unlike a traditional company where only shareholders or a distant owner reap the rewards, in an ESOP, the employees are the shareholders. When the business grows, their retirement accounts grow. When profits rise, so does long-term financial security.

That alignment creates powerful motivation. It's no wonder employee-owned companies outperform others consistently on sales growth, productivity, and retention. But how do we unlock those benefits? Motivation isn't enough. People need information to act like owners. **Ownership is a mindset, and data is what makes it real.**

Employees can only act like owners if they have access to the business information owners use and the skills to interpret it. You can only make informed decisions if you can see and understand the numbers owners rely on: sales trends, cost drivers, performance metrics, safety rates, etc. This is why data literacy is so crucial in an employee-owned setting.

Explore more here:

https://www.esopassociation.org/what-is-an-esop#:~:text=In%20the%20simplest%20terms%2C%20an,longevity%2C%20and%20so%20much%20more

Case study:

Burns & McDonnell

Burns & McDonnell, a 100% employee-owned engineering firm, saw explosive growth after embracing an ESOP. Since becoming employee-owned in 1986, the company has grown from 600 to 5,700 employees and from $43 million to $2.7 billion in revenue.

The CEO credits employee ownership as the "cornerstone" of that success. But what made it work?

It's not just the ESOP structure; it's what the culture of ownership inspires employees to do. People at all levels pay attention to the numbers, find ways to improve efficiency, and make decisions with the company's long-term health in mind. They asked questions like: *"Is this the best use of our time?"*, *"How can we reduce rework?"*, and *"Where can we cut waste?"*

Employee-owners think about the business as their business. Success comes when the company performs well across the board: strong operations, engaged teams, satisfied customers, and sound financials. Understanding what drives all of that starts with understanding the data.

1986:
600
employees

Today:
5,700
employees

Revenue growth:
$43 million →
$2.7 billion

Explore more here:

https://www.bizjournals.com/kansascity/news/2017/03/03/the-power-of-the-esop-the-perks-of-employee.html

One Burns & McDonnell manager likened it to the difference between renting and owning a house:

"When you own it, you treat the asset differently."

From financial transparency to data fluency

Data is the common language that ties everyone's efforts together. If you've never worked with financial or performance data, the spreadsheets and charts might feel foreign at first. One survey found that only 24% of people feel fully confident in their data literacy skills. But the good news is that everyone can learn data literacy, and it's a lot easier than many imagine, especially the basics. You only need to know a few basic concepts and definitions, then practice looking at numbers and asking, *"What is this telling me?"* Over time, the lines on a graph or rows in a table start making sense, and even telling a story about your business.

Many employee-owned companies practice open-book management: sharing income statements, balance sheets, forecasts, and metrics with all teams who are trained to use this information and encouraged to do so in their daily work. Crucially, they also tie the results to a reward, like a gainsharing bonus or, in the case of ESOPs, growth in the stock price that employees own.

The philosophy here is that **people make better decisions with better information**. The National Center for Employee Ownership found an 8–11% higher growth rate in studies of participative employee-owned companies. In one study, companies that shared financial information with employees saw 1–2% higher annual sales growth than they would have otherwise. Compounded over the years, these small gains meant those companies became *dramatically* larger than their peers.

8–11%
higher growth rate

1–2%
higher annual sales growth

The bottom line is that *an informed workforce drives better performance.* **When you understand the data, you can identify waste, spot opportunities, and contribute ideas that improve results.**

Explore more here:

https://www.nceo.org/articles/open-book-management#:~:text=,results%20through%20a%20gainsharing%20program

Case study:

Springfield Remanufacturing Corporation

In the 1980s, manufacturer Springfield Remanufacturing Corporation (SRC) spun off from International Harvester, and when SRC's employees bought the company, it was deeply in debt (89-to-1 debt-to-equity ratio). CEO Jack Stack, the leader of the buyout, realized that if the new employee-owners didn't quickly learn how to **think financially**, the company wouldn't survive.

SRC then pioneered a system of teaching every employee how to read financial statements and track critical numbers, now known as ***The Great Game of Business®***. Line workers learned how their daily choices impacted the bottom line. Departments started forecasting their costs and tracking waste like a game.

Explore more here:

https://www.certifiedeo.com/blog-posts/three-inspiring-examples-of-employee-owners-building-life-changing-wealth#:~:text=Springfield%20Remanufacturing%20Company%20,lasting%20culture%20that%20has%20continued

The result for SRC:

Paid off its debts	Grew into a thriving family of businesses	Delivered over 1,000,000% growth in share value over time	Created 30+ employee millionaires	Paid out $100+ million to retiring employee-owners

Stories like this show the potential of marrying employee ownership with data-savvy decision-making. While not every ESOP will turn garage mechanics into millionaires, the principle holds that when workers understand the business data, they make more intelligent decisions that improve the business. And when the business improves, the employees share in the rewards.

Explore more here:

https://www.greatgame.com/blog/sharing-the-wealth#:~:text=That%E2%80%99s%20why%20SRC%E2%80%99s%2040,thriving%20quite%20like%20SRC%20can

Why data literacy is the new financial literacy

What balance sheets were to ESOP pioneers, dashboards and key performance indicators (KPIs) are to today's teams. The same logic applies:

- **Education unlocks participation.**
- **Transparency fuels performance.**
- **Understanding empowers ownership.**

Data isn't about complexity. It's about connecting the dots between everyday work and long-term impact. What does that look like in practice? **Data literacy works as a force multiplier for employee ownership**. By learning to read and understand the data in their work, employees transform from passive participants into active contributors. It makes shared ownership practical. And it invites every employee, not just leadership, to participate in driving results:

- A mechanic may notice that a particular part's defect rate is creeping up and brings it to management's attention with data to back up his observation.
- A customer service representative can track response times and suggest a tweak that improves customer satisfaction scores.
- A field crew leader in a construction firm can learn to keep an eye on the budget vs. actual expenses on a project and so he finds a way to reduce rework costs after seeing the numbers.

Data literacy empowers you to take *ownership* in the truest sense, not just having a stake in the ESOP, but owning responsibility for the company's performance. That's why it matters so much.

Case study:

WinCo Foods

At WinCo Foods, a grocery company owned by its employees, workers did more than stock shelves and run registers. They paid attention to the numbers they could see, and over time, that mindset turned into real wealth. In just one store, 130 workers together accumulated about $100 million in stock value, and hundreds of "millionaire grocery clerks" emerged—not from luck, but from steady, informed effort.

It was the result of a culture where employees understood how their daily work connected to the company's performance. When employees can read the numbers, they become more confident problem-solvers. They spot issues early and suggest changes that save money, boost service, or improve safety. That's the power of data literacy.

130 workers together accumulated about

$100 million

in stock value

Explore more here:

https://www.certifiedeo.com/blog-posts/three-inspiring-examples-of-employee-owners-building-life-changing-wealth#:~:text=Broad,12%20Department%20of%20Labor

hundreds of "millionaire grocery clerks" emerged— *not from luck, but from steady, informed effort.*

Take a moment to reflect on your current comfort level with data:

Do you feel confident interpreting your company's dashboards and reports? You may check your company's monthly financial report but aren't sure what all the terms mean.

When you see a KPI, do you know how it's calculated? You may see certain production metrics but not know where they came from.

If your answer is no, that's okay. After reading this resource, you should feel more confident about these things. You'll learn the key metrics and concepts, see examples of data in action, and get tools to help you and your colleagues become more data-savvy owners.

Remember:

every owner has to start somewhere.

Even if numbers aren't your thing, you have the ability to understand the few critical figures that drive your business. And once you do, you'll never look at your work the same way again. You'll start seeing opportunities behind those numbers.

In the next section, we'll break down the specific metrics that matter most, and show how you can start using them right away.

Part 2:

What data every employee-owner should understand

Now that we've discussed why data matters, let's understand what data to pay attention to. Businesses generate a ton of data, but you don't need to drown in the numbers. You don't need to become a data analyst to contribute meaningfully to your business's performance, but you do need to understand the key numbers that drive it.

For everyday employee-owners, a handful of key concepts and metrics will cover most of what you need to know. In this section, we'll break down the two main categories of data used across employee-owned companies:

- **Financial data:**
  the money-related numbers, i.e.,
  the dollars and cents
- **Operational data:**
  the performance indicator numbers
  behind those outcomes, i.e., numbers that
  measure your work and processes

We'll explain each in clear terms, why it matters, and how it might relate to your role, whether you're on the plant floor, on a job site, or in the office.

Financial fundamentals

Every business ultimately measures success in financial terms: are we making money and using it wisely? You don't need to be an accountant to grasp the basics. A great starting point is understanding what Jack Stack, creator of **The Great Game of Business®**, calls the **"Big Five"** of a financial plan: **revenue**, **gross margin**, **profit**, **cash**, and **return on equity (ROE)**. These five core financial metrics are important for every employee to understand to stay informed about fundamental questions about the company's health:

5 ***"Big Five"*** **of a financial plan:**
—Jack Stack, creator of **The Great Game of Business®**

1	2	3	4	5
revenue	*gross margin*	*profit*	*cash*	*return on equity (ROE)*

Explore more here:

https://www.greatgame.com/blog/the-great-game-of-business/financially-literate-employees-means-stronger-financial-plans#:~:text=Plans%20must%20have%20in%20order,to%20be%20effective%20are

Table:

Financial metrics

Financial metric	What it tells you
Revenue	How much money is coming from sales of our product or service. Total income from sales. No sales = no fuel for the business. (also called sales or top-line income). This is the lifeblood of the business – without revenue, nothing else happens.
Gross margin	How much money the company earns from sales ***after*** subtracting the direct costs to produce its goods or services. For example, if a construction company sells a project for $1 million and it costs $800,000 in materials and labor to build it, the gross profit is $200,000, which is a 20% gross margin. Gross margin tells us how efficiently we deliver our product. Sales minus direct costs (like materials and labor). A good margin shows we're efficient at producing value.
Profit (net income)	What's left of revenue after ***all*** expenses are paid. Not just production costs, but also overhead like office salaries, rent, utilities, etc. This is basically "what the company made" in actual earnings. Profit is crucial because it can fund growth, employee bonuses, and ESOP contributions and increases the company's value. The money that remains after all expenses (including rent, salaries, insurance) are paid is what the business truly made.

Financial metric	What it tells you
Cash flow	How money moves in and out. Cash is king. A company can be profitable on paper but run out of cash due to the timing of payments. Cash flow data tracks money coming in and going out over time. Healthy cash flow means bills, payroll, and debts can be paid on schedule. It's like the company's checkbook. Understanding cash helps you see if the company can invest in new equipment or needs to save for a dry spell. Even a profitable company can struggle if cash flow is tied up.
Return on equity (ROE)	How much value the company creates for employee-owners. In an ESOP, this essentially means the return (increase) on the employees' ownership stake. It's a measure of how effectively the company uses its equity (the shareholders' money) to generate profit. One of the ways it is calculated by dividing net income by shareholders' equity. A higher ROE means the company is doing a good job growing value for the owners. In practical terms, when the company's valuation goes up each year, that's a positive return on the employee-owners' equity.

Why these numbers matter to *you*

Let's connect the dots.

Revenue is primarily driven by how well the team performs, i.e., making quality products, delivering good service, and satisfying customers so they come back. For instance, if you work in sales or customer service, you directly influence revenue through customer relationships. But even if you're not in a sales role, you influence revenue indirectly: a machinist who keeps quality high and meets production deadlines helps keep customers happy (supporting future sales).

Gross margin can be influenced by efficiency and waste. If you're a technician in a manufacturing plant, reducing scrap or rework improves gross margin (because we spend less on wasted materials or extra labor). If you're a project manager in an engineering firm, finishing a project under budget improves the gross margin on that project.

Profit is affected by all departments and involves controlling costs in administration, avoiding accidents or errors that lead to expenses, and improving gross margin all roll into a better profit. Profit is what feeds the ESOP's growth; higher profits often lead to a higher stock valuation for the ESOP shares.

Cash flow might seem abstract if you never see the bank account, but think of it like your household budget. If your company is waiting on a big payment from a customer, everyone might need to be mindful of spending in the short term. For example, a supervisor might delay a non-urgent equipment purchase for a month to avoid a cash crunch.

Return on equity is a bit technical, but you can think of it as the score that matters to you as an owner. It's reflected in the annual statements you get about your ESOP account growth. Understanding ROE means understanding that *profits and asset growth relative to the company's size determine how fast your ESOP account can grow.*

A financially literate employee knows these basics and, more importantly, knows **which levers they can affect.** At your next meeting, try asking, *"Which number do we affect most?"*

The key is to start seeing daily work issues in terms of their data and financial impact. That's what data literacy enables. If you see a number, you know what it means and why it matters.

Table:

Operational metrics

If financial metrics are the *scoreboard,* operational metrics are the *play-by-play stats.*

Operational data are the day-to-day indicators that show how things are running. These connect the everyday employee experience to the financial data insights required for ownership decision-making.

These metrics are often specific to your industry, but here are a few common ones across manufacturing, construction, utilities, and service businesses:

Operational metric	Example
Productivity	Units produced per hour, jobs per crew, or billable hours worked. All measure how efficiently work gets done. Higher productivity usually means lower cost per unit of output, helping gross margin.
Quality	Rework hours, scrap, and defect rates. These measure how well work is done right the first time. Doing it right the first time protects profit because improving quality saves money.
Safety	Incident rate, near-miss logs, days since last injury. Good safety performance avoids downtime and protects a company's most important asset: its people. Plus, it can affect insurance costs and compliance.

Operational metric	Example
Timeliness	Project delivery, on-time shipments, and equipment downtime all impact trust and cost. These show whether work is getting done on time. Delays can cost money (overtime, penalties, lost customer trust). Meeting schedules can be a competitive advantage.
Customer satisfaction	Net Promoter Score (how likely customers are to recommend your company to others), feedback forms, and service ratings affect repeat business. For community-based services or any business, happy customers lead to sustained or increased revenue.
Employee engagement	Turnover, training hours, or absenteeism reveal the health of the team. High turnover can signal problems in culture or workload that might ultimately hurt performance, (and it incurs recruiting and training costs). Tracking it can prompt action to improve workplace practices.

For each operational metric, there's usually a target or benchmark. Being data-literate means you not only know the definition of the metric but also understand what good performance looks like and what factors influence that number. The data is a starting point for asking *why* and *what can we do*.

Illustrative persona: **Maria,** utility crew leader

Maria leads a field crew in an employee-owned utility company. For years, performance numbers on average response time to outages, pending work orders, and safety incident rates were just reported to higher-ups, and Maria relayed them to her team occasionally.

After attending a company-led data literacy session, Maria began sharing key metrics with her team weekly and was able to explain them. For example, ***response time*** is directly tied to customer satisfaction. She helped the team see that when they reduced the average outage response, it not only made neighbors happy but also saved the company money in possible penalties and boosted the company's reputation. Thinking long-term helped them keep their jobs secure and their ESOP shares growing.

By making these operational stats visible and understandable, Maria empowered her linemen to take pride in improving them. Now her team discusses numbers in tailgate meetings like sports scores.

The point is that **knowing the story behind the numbers** turns routine work into something meaningful. When you see a dashboard or report, don't gloss over it. ***Get curious***. If a number went up or down, ask, ***"Why might that be?"*** and ***"Is that a good thing or bad thing?"*** You might not always know the answer, but asking is the first step. This is where collaboration comes in: data-literate teams discuss the metrics together. A mid-level manager can facilitate these discussions by sharing the data with their team (even if it's just a small team huddle once a week to talk about one key metric). Over time, even those who claim "I'm not a numbers person" will start to chime in with observations.

Get curious. If a number went up or down, ask, ***"Why might that be?"*** and ***"Is that a good thing or bad thing?"***

What makes data trustworthy

Before moving on from financial and operational metrics, it's worth taking a moment to check the quality of the data that feeds them.

After all, your company might be tracking dozens of KPIs, but if the data behind those numbers is unreliable, inconsistent, or vague, you risk drawing the wrong conclusions. Think of it like building a house. You can't measure or improve much if the tape measures are inconsistent, the blueprints are outdated, or you're all using different definitions for "floor area."

So what makes data trustworthy, usable, and easy to act on? There are four fundamentals of high-quality data:

Table: Data quality factors

Principle	What it means
Consistency	Are definitions and formats used the same way across teams? Do "units completed" or "net profit" mean the same thing in every report?
Accuracy	Is the data checked regularly for errors, duplications, or typos? Do numbers reflect reality?
Completeness	Do you have all the necessary data, or are key pieces missing that might distort decisions?
Timeliness	Is the data recent enough to guide current decisions, or are you looking at outdated numbers?

Behind every number is a story, and how clearly that story is told often depends on the structure and organization of your data. Understanding some fundamental concepts of data organization—like relational data, granularity, and dimensionality—will significantly enhance your ability to interpret, communicate, and leverage data effectively. If the four pillars above build trust in data, the three concepts below make data more useful:

Table: Data usage concepts

Concept	Why it matters
Dimensionality	Can you break your data down by region, team, time period, or product line? Viewing data from different angles adds context and actionable information.
Granularity	Are you seeing hour-by-hour info when you only need monthly trends, or vice versa? Zoom in or out depending on your goal.
Relationality	Do you have the proper unique identifiers to bring your data together accurately? Capturing relationships between information makes it easier to analyze and act on the right connections.

One of the biggest obstacles to data confidence is **inconsistent definitions.**

You've likely seen it happen: two people argue over a number in a meeting, only to realize they've defined it differently. One person's "production yield" excludes reworked units, while another includes them. Neither is wrong, but without shared definitions, we can produce different calculations, create frustration, and break down trust.

To avoid this, many organizations create a data dictionary, essentially a reference guide that defines each important metric or data field in clear terms (see Part 4).

As an employee, if something is unclear—say, ***"Does 'profit' in this report mean before or after taxes?"***—don't hesitate to ask. It's not a dumb question; it's ensuring everyone is on the same page.

Data literacy isn't just knowing ***numbers***; it's knowing the ***language*** of business data. Clarifying definitions is part of the process.

Habits to build data confidence

You don't need to learn every KPI overnight, but here are a few actionable tips for building your data understanding so you can start seeing data as a tool:

Learn the key metrics by name and meaning. If your company has training or cheat sheets for financial statements and common KPIs, use them. If not, consider this chapter your starting cheat sheet, and create a small glossary for yourself and your colleagues. For example, write down: *"Revenue = total sales; Gross margin = sales minus direct costs (materials/labor); etc."* Revisit your resources regularly.

Connect the metrics to your job. Ask: *"How could my work influence this number?"* You might be surprised how connected things are. For instance, a compliance specialist ensuring accurate data in regulatory filings might prevent costly corrections, protecting profit. An HR manager who improves onboarding can shorten the time until a new hire becomes productive, indirectly boosting productivity metrics.

Practice reading reports or dashboards. Next time you see a company report, take a moment to really read one or two figures. If something isn't clear, ask a colleague or your manager. Chances are, they'll be happy to explain because it shows you're engaged. Over time, the reports that once seemed "for accountants only" will make a lot more sense.

Look for trends, not isolated numbers. A one-month dip in sales isn't a cause for panic, but a six-month decline is. Look at the direction things are going. If a chart shows safety incidents dropping quarter over quarter, that's a success to celebrate, and maybe it's a result of improved training. If the gross margin is gradually eroding, that's a sign to investigate; perhaps material costs are rising, or there's more scrap. Being literate in data means looking beyond one data point to the story it tells over time, turning numbers into insights.

Connect data to outcomes. Whenever possible, tie the data to real outcomes or stories (like we did with Maria's crew). This makes it more tangible. If you see that "customer satisfaction is 90%," think of a recent customer interaction that went well. That's the data in action. If "on-time delivery" slipped, recall a project that had delays to discover why the metric moved. This habit makes data less abstract and more actionable.

You don't have to memorize financial textbooks or learn spreadsheet formulas, but you do need to understand the few metrics that matter most to your work and feel confident talking about them. That's what builds data fluency. And over time, that fluency shapes culture.

By mastering these key concepts and metrics, you build a solid foundation. Start with these basics because they cover a majority of what drives an employee-owned business. Once you're comfortable with them, you'll find it much easier to engage in discussions about the company's performance.

For example, ***write down***:

"Revenue = total sales;
Gross margin = sales minus direct costs (materials/labor); etc."

Revisit your resources regularly.

In the next part, we'll talk about ***how to make data part of the company-wide culture.*** *We'll shift from individual knowledge to team momentum, so it's not just a few individuals analyzing numbers in isolation but a collective effort where everyone is pulling in the same direction with shared information.*

Part 3: What data every employee-owner should understand

In many employee-owned companies, financial literacy has long been a cultural cornerstone, , from teaching balance sheets during onboarding to tying performance bonuses to the profits and losses. Data literacy builds on that foundation. It's not a separate initiative; it's the next evolution of ownership thinking.

If financial literacy helped people understand how value is created, data literacy helps them see how value is measured, improved, and shared.

At Deanalytics, we've helped employee-owned businesses across sectors make this shift. By combining open-book management principles with practical data tools (e.g., shared dashboards, cross-functional training, and departmental metrics), we've seen how data transparency fosters not just clarity, but community.

It's one thing for a few employees to understand data; it's another for the **whole company to embrace it as part of the culture.** In an employee-owned business, a data-driven culture becomes a shared engine: it powers transparency, trust, teamwork, and smarter decisions at every level.

Explore more here:

deanalytics.llc

Lead with transparency

Culture change starts at the top. Leaders and managers must be willing to share information openly. If management keeps financial results or key metrics under lock and key, employees can't be expected to act like owners.

That's why many ESOP companies embrace open-book management as a proven approach where leadership ***literally*** shares the books with employees. It doesn't mean every line item or salary needs to be public, but the core business performance metrics should be shared regularly in understandable formats. The act of sharing says, *"We trust you with this information. We are all in this together."*

Case study: "the huddle"

One manufacturing company in the Midwest famously holds a weekly meeting called "the huddle," where employees from every department gather to review the company's scoreboard of metrics in an approach popularized by ***The Great Game of Business®.***

In these "huddles," employees themselves present updates on their slice of the business (e.g., production, sales, inventory, etc.) and everyone forecasts the numbers for the coming weeks. It's not executives lecturing; it's a team conversation. By doing this, the company not only informs everyone but also trains them. Employees learn how to read an income statement by looking at one together and asking questions. The result is clarity, accountability, and learning in action.

Tip for leaders:

If you haven't already, consider sharing the numbers more regularly.

Tip for leaders:

Ask to see the numbers. As an employee-owner, you're entitled to know how your company is doing and how you can help.

Teach the numbers, don't preach

You can't build a data-driven culture by handing out reports. Many of us didn't learn finance or statistics in school. A data-driven culture invests in education. What matters is creating accessible, relevant learning moments.

Some companies run short "Financial 101" workshops. Others, like those following ***The Great Game of Business®*** model, incorporate ***MiniGames™*** and quizzes to reinforce learning using real company examples to explain concepts. The key is to make it engaging and relevant. By tying training to real events and company-specific examples, concepts click better for people. They can connect the abstract concepts to the concrete things they see at work.

Peer-to-peer teaching is also excellent. A project manager could show the team how she uses a spreadsheet to track project costs in real-time. Some ESOP companies form a **communications committee** to help explain ESOP and financial info in everyday language to coworkers. For example, an ESOP communications committee might create a short newsletter or presentation after the annual valuation to explain, ***"Our share price went up 10% this year. Here's why,"*** translating the valuation report into plain language. These efforts significantly improve understanding and trust. When employees can see effort being made to educate them, it sends a powerful message that **you are truly owners and we want you to understand the business**.

What matters is creating accessible, relevant learning moments.

Illustrative persona: **Jamal,** machine operator

Jamal, a machine operator at a metal fabrication ESOP company, confessed he used to toss the company's quarterly financial summary in the trash because it looked confusing. After the company started a basic finance training led by the CFO using simple bar charts and even a bit of humor, Jamal began reading the summary. In a team meeting, Jamal even pointed out that overtime costs had spiked and asked if that was due to a recent rush order. This sparked a discussion on how to staff differently for rush jobs.

That's a small example of how education leads to engagement. As Jamal put it later, "I finally understood what those numbers meant, so I felt like, hey, I can have an opinion on this and maybe I can help." That kind of empowerment is precisely the goal of training employees on data.

Set goals and solve problems together

A data-driven culture is a participatory one. It's not just management setting targets in a vacuum. Instead, involve employees in setting goals for the metrics they influence. For instance, your warehouse team could set a goal to reduce order-picking errors by 50% this year. They know the problem best, and by giving them ownership of the goal, you motivate them to achieve it. Management can support with resources, but the team takes charge. Regularly review progress with the team using data and let them adjust their tactics. When goals are hit, celebrate and consider some reward. For example, an ESOP company in the Midwest would give out plaques for teams that hit safety milestones, along with profit-sharing bonuses tied to overall financial results.

Likewise, data can be used as a starting point for **problem-solving discussions**. Suppose your company's customer satisfaction score took a dip this quarter. Rather than the boss lamenting it alone, bring a cross-functional group together and pose the question: ***"What might be causing this, and how can we turn it around?"*** Provide relevant data, which may be scored by service location or common themes in customer comments. Then, invite ideas. You might be amazed: a frontline customer service representative could notice, ***"Hey, most complaints are about our mobile app being glitchy,"*** which is something management didn't realize.

Data empowers those closest to the work to speak up. Frontline teams often see issues before leadership does. Data gives them a voice and a way to back up their instincts.

Illustrative persona:
compliance or HR professional

A **compliance or HR professional** might not always be included in big strategy talks, but their familiarity with data can offer unique insights. By having a culture that values data, you naturally start to value the people who handle data carefully. In an ESOP, that could be your third-party administrator (TPA) or internal benefits coordinator who tracks the shares and contributions. They might identify a trend, such as fewer younger employees participating in the 401(k), which could be a data point to address with better communication about benefits. In a culture where data is appreciated, that person's finding would be heard and acted on rather than ignored.

Communicate with simplicity and story

Once data is shared across a broad employee population (with varying backgrounds), it still has to be understood. How you communicate information matters.

Use visuals and stories rather than dense tables when possible. Charts, graphs, and infographics can convey trends quickly. Many ESOP companies publish a one-page "snapshot" that includes some trend explanations and a few charts. For example, a chart showing, *"Sales: Goal $500k vs. Actual $450k (90% of goal),"* along with a note, *"Q2 sales were a bit behind due to supply chain delays. We have a plan to catch up by Q3."* gives employees a sense of where things stand and what's being done.

Use plain language and skip buzzwords and jargon. Instead of *"Our EBITDA margin declined due to exogenous commodity price inflation," say, "Our profit margin went down because steel prices went up. We need to improve efficiency to make up for it."* The latter is language anyone on the shop floor or office can grasp. Being honest about challenges without sugar-coating builds credibility. Employee-owners want to know reality so they can help. If something didn't go well, say it plainly and then focus on how to improve.

Use stories to discuss data. Connect numbers to a win, a change, or a consequence. Context and impact make numbers stick in the mind because they explain them in ways we understand. For example, when overtime hours suddenly spiked, one team asked why. They found a machine was breaking down more often, causing delays. After adjusting the maintenance schedule, downtime dropped and so did overtime. A simple number led to a simple fix that made everyone's day better.

Encourage questions during communications. When presenting data at a meeting, ask, *"Does anyone have questions about these numbers? Is there anything that doesn't make sense?"* You might have to pause and let people gather the courage because talking about numbers can be intimidating. You could break the ice by saying something like, *"I know this can be a lot to take in. When I first saw these reports, I had to have someone explain half the terms to me! So please, any question is welcome."* Once one person asks a question, others will likely feel safe to ask, too. Each question answered increases the overall literacy in the room.

Connect data to ownership

In an employee-owned business, the numbers aren't just abstract; they're your future. Use data as proof of that. Data-driven culture and ownership culture go hand in hand.

Use data as proof points of ownership. For example, highlight when the company's performance directly benefits employees: *"Our cost savings this year increased our profit, which helped raise our ESOP share value by 15%. That's your retirement growing. Great job, everyone!"* or, *"Thanks to meeting our production goal every month this quarter, we've been able to contribute more to your bonuses."* These connections remind people that the numbers aren't abstract; they hit our wallets (in a good way). It's motivating to see how effort translates into financial gain or stability for oneself and colleagues.

During downturns, data can also help **build trust.** During the Great Recession, some ESOP companies famously shared data with employees to avoid layoffs, with employees volunteering cost-saving ideas and even temporary pay cuts after *seeing* the financial situation, and as a result, they came through without job losses. Management didn't simply say, "times are tough, trust us," they showed the figures, and employees responded with trust in return, stepping up to help the company survive. Transparency and honesty paid off in unity and loyalty.

Case study:

Inland Truck

Inland Truck, an employee-owned firm, decided not to lay off anyone despite a downturn, explicitly communicating through their internal newsletter that it might hurt short-term profit, but it was to "protect your jobs and benefits" (***Kansas City Business Journal***). The president mentioned that employees thanked him for not cutting jobs, showing they understood the long-term view. How did they understand it? Because the company shared its philosophy and numbers openly over time, so when a sacrifice was needed, everyone "got it." That's the power of a mature ownership culture infused with data awareness; it creates unity and resilience.

Explore more here:

https://www.bizjournals.com/kansascity/news/2017/03/03/the-power-of-the-esop-the-perks-of-employee.html

Put open-book management into practice

At New Belgium Brewing, employee-owners attended "open-book Fridays," learning to read financials and suggest improvements, from product ideas to process improvements. The ESOP committee helped explain the ESOP statements to employees who knew the cost of hops, the margins on beer, etc., as well as any owner would. That helped them remain nimble and innovative. New Belgium's employee-owners took pride in data like their high growth rates and market share gains, which made the eventual sale of the company in 2019 bittersweet but also financially rewarding for those employee-owners while it lasted.

Over time, it becomes *"how we do things here."* New hires pick up on it. Everyone starts thinking more like an owner.

A data-driven culture ***is not built overnight***. It can take a couple of years for employees to truly understand numbers and for management to become comfortable sharing information widely. But each chart shared, training offered, or question asked moves things forward. Over time, it becomes "how we do things here." New hires pick up on it. Everyone starts thinking more like an owner.

As an employee at any level, you can contribute to this culture. If you're a manager, lead with data. Start including a "metric of the week" in your team meetings. If you're not in management, you can still champion data: ask for info, volunteer to be on an ESOP or communications committee, or simply start tracking information and share your findings.

Start including a *"metric of the week"* in your team meetings.

Explore more here:

https://www.certifiedeo.com/blog-posts/three-inspiring-examples-of-employee-owners-building-life-changing-wealth#:~:text=New%20Belgium%20Brewing%20offers%20a,Lion%20World%20Beverages%20in%202019

By building a workplace where **data is shared, discussed, and used in decision-making at all levels**, an employee-owned company truly leverages its greatest asset: the collective wisdom of its people. When every technician, driver, nurse, engineer, and clerk can contribute ideas backed by evidence, the business gains hundreds of problem-solvers instead of a few. And when those problem-solvers are also owners, you have an incredibly powerful combination.

*In the next section, we'll equip you with a two practical **tools** to further support this cultural shift: a **data dictionary template** to keep everyone speaking the same language and a **data committee charter** to formalize a team that will guide your company's data efforts. These tools are concrete steps to keep your data efforts aligned, organized, and evolving as your company grows.*

Part 4: Practical tools—Data dictionary and Data committee charter

Building data literacy and a data-driven culture is an ongoing journey. Financial literacy succeeded in part because it relied on simple, structured tools (e.g., income statements, balance sheets, and open-book dashboards). Data literacy works the same way: it thrives when we build equally clear, accessible structures.

Financial literacy worked because people weren't expected to become accountants overnight. Instead, companies gave them tools they could understand and use in their everyday work. Similarly, data literacy doesn't require people to become analysts. It simply requires well-defined reference points and shared systems for interpreting information.

That's where structured tools and documents come in. In this part, we present two practical tools that any employee-owned business (large or small) can use:

- Data dictionary
- Data committee charter

Don't let the formal names intimidate you. These are simple, people-first frameworks and tools to keep everyone aligned and accountable when it comes to data. These are not bureaucratic checklists; instead, they're the scaffolding that supports daily collaboration, clarity, and trust.

At Deanalytics, we've seen these tools make a measurable difference across a wide range of employee-owned organizations. Whether implemented during culture-change initiatives, ESOP onboarding, or post-valuation education, they help companies create alignment, reduce confusion, and empower decision-making at every level.

Define a common language with a data dictionary

A **data dictionary** is basically a glossary or reference guide that defines all the important data elements in your company. Think of it as a cheat sheet that ensures ***everyone*** has the same understanding of key terms, metrics, and reports.

In an employee-owned company where informed participation matters, a data dictionary is invaluable. It prevents confusion and arguments over "what does this mean?" by documenting shared definitions for consistent reference.

You don't need to include every trivial field or data point. Focus on metrics and data people see in reports, dashboards, or meetings. For instance, if your shop posts a daily production count and a yield percentage, define those. If your financial summary mentions EBITDA, explain it (or decide to use a more common term like "operating profit" if EBITDA is too technical for your culture).

Explore more here:

deanalytics.llc

What does a data dictionary include?
Typically, each entry will list each important metric or data field and provide:

- The **term/name** (e.g., "gross profit")
- A **definition** in plain language (e.g., "Revenue minus the cost of goods sold; the profit earned on sales before overhead expenses")
- How it's **calculated**, if relevant (e.g., "gross profit = total sales – direct production costs")
- The data **source** (e.g., "Calculated in our accounting system from the income statement")
- The **frequency** of updates, if helpful (e.g., "Calculated monthly")
- An **example** to illustrate and make it concrete

Here's a sample excerpt of what a data dictionary might look like for a fictional company:

Data term	Definition	Calculation/Details	Example
Revenue (sales)	Total dollar amount of products/services sold in a period.	Sum of all customer invoices (minus returns/discounts) for the period. Usually measured monthly and annually.	*"In Q1, we had $2.5 million in revenue."*
Gross profit	Money left from sales after paying direct production costs.	Gross profit = Revenue – Cost of goods sold (COGS). COGS includes materials, direct labor, and any other costs tied to producing the product/service.	*"Our gross profit on Product A was $100k (Revenue $500k – COGS $400k)."*
Gross margin	Indicates how much of each sales dollar is kept after production costs. Expressed as a percentage of revenue.	Gross margin % = (Gross profit / Revenue) × 100.	*"We operate at a 20% gross margin, meaning 20 cents of every $1 in sales is profit after direct costs."*
Net profit	The bottom-line profit after all expenses are deducted from revenue.	Net profit = Gross profit – All other expenses (overhead, admin, interest, taxes). This is the final profit figure reported.	*"Last year, our net profit was $500k."*
On-time delivery	The percentage of customer orders delivered by the promised date.	(Number of orders delivered on or before promised date) ÷ (Total orders delivered) × 100. Tracked monthly.	*"We hit 95% on-time delivery in June (95 out of 100 orders were on time)."*
TRIR (safety)	Total Recordable Incident Rate A standard safety metric indicating how many recordable injuries occurred per 200,000 hours worked.	(Number of OSHA-recordable incidents × 200,000) ÷ (total hours worked by all employees). Provides a normalized injury rate. Lower is better.	*"Our TRIR was 1.5 last year, which is better than the industry average of 3.0 (fewer injuries per hours worked)."*
ESOP share price	The dollar value of one share of company stock in the ESOP is determined by the annual external valuation.	Determined once per year by an independent valuation firm. Reflects the company's overall value divided by the total shares of company stock. Often communicated to employees at the annual ESOP meeting.	*"This year's ESOP share price is $45, up from $40 last year (a 12.5% increase)."*

In the above sample, notice the language is straightforward. Someone with a 9th-grade education (our target reading level) could read the definitions and understand. This is important: the data dictionary is meant for everyone in the company, not just analysts. Keep it ***short and sweet*** for each term. You might even include a column for "Why it matters" to tie it back to goals (e.g., "On-time delivery and why it matters: A higher percentage means customers are getting their orders as promised, which improves satisfaction and repeat business").

How to build and use your data dictionary

A data dictionary also helps maintain consistency as your company grows. New managers or new systems might be tempted to define things differently; the dictionary serves as a guardrail. For example, if you always defined "headcount" as full-time employees only, and a new HR system report counts contractors too, the data dictionary will flag that discrepancy, and you can clarify or adjust. It's a living document that grows with you.

In summary, a data dictionary is a simple but powerful tool to improve data literacy. It is one of the most practical steps you can take to raise confidence in your numbers and participation in business performance. It's especially helpful in providing day-to-day support for new hires, non-specialists, and anyone asked to "act like an owner" who wants to feel informed, not intimidated.

Don't be overwhelmed or believe this is a massive project.
Start simple:

- Choose 10–20 core standard terms that appear often in reports or meetings.
- Draft plain language definitions (ask finance or HR to help). If you have existing documentation or if some terms are industry-standard, leverage that.
- Review the draft with people from different departments to ensure clarity. If a term is too complex or not used by most, consider removing.
- Publish and share it where employees can access it, e.g., a page in your employee handbook, a section on the company intranet, or even a printed poster in the break room.
- Encourage people to refer to it. Managers can incorporate it into onboarding for new hires: ***"Here are some key terms we use when we talk about the business; let's go through them."*** Over time, this becomes part of your company's common knowledge.
- Update regularly as your company evolves.

Launch a data committee with a charter

As your company's data usage grows, having a dedicated group of people that looks after the quality, accessibility, and effective use of data becomes essential. This is where a data committee (sometimes called a data governance committee or data stewardship team) comes in.

In an employee-owned business, these committees build on a strong tradition: just as safety committees or ESOP committees promote ownership through shared responsibility, data committees foster shared understanding of important business information. These aren't just task forces; they're a way to institutionalize the cultural shift we explored in Part 3.

A data committee is not the same as an ESOP communications committee, which typically focuses on helping employees understand how the ESOP works and what their ownership means. A data committee goes deeper into how data is used across the business, making sure it is accurate, consistent, and helpful in decision-making. The two groups can work together, but each serves a different purpose.

Why have a data committee?

Even in small companies, data needs coordination. The group might be informal, simply a few key people who coordinate on reports and data issues. In larger companies, you might benefit from a formal group with representatives across departments.

An ESOP committee is a critical part of having a successful ESOP experience, for the company as a whole and for individuals. Serving on this committee is a great opportunity to grow in your career and establish a reputation as someone who understands the business on a deeper level. A data committee affords these same opportunities and is a major resource that doesn't yet exist at most ESOPs.

A well-structured data committee can ensure that:

- The data people need is accurate and available.
- Policies or guidelines exist for how data is created, shared, and stored.
- Data literacy efforts, like training and dictionary updates, are coordinated.
- Data-related problems are addressed, including resolving software or system issues or definition discrepancies.
- Employee-owners have a voice in what data is collected and how it's used.

A **data committee charter** is a document that lays out who's on the team, what they do, and how they work together. At the end of this section, we've included a basic **template** of what a charter might include (in non-legalese).

Sustain a data culture

Structured, institutional support for data-driven management builds confidence. Just like open-book management became more effective when paired with regular financial reviews, data-sharing becomes more impactful when it's championed by a clear team. A data committee also spreads the responsibility so that not everything falls on the finance team or IT support.

For example, the operations representative on the committee might take ownership of training all production supervisors on how to record production data correctly because the committee identified inconsistent data entry as an issue. Or the HR representative might spearhead adding data orientation for new hires so every new employee learns about the ESOP metrics during onboarding. The committee coordinates these actions so that they are not ad hoc or forgotten.

Importantly, a data committee provides a ***voice***. If you notice a reporting issue, you know who to go to in order to raise a concern. If you're on the committee, you advocate for your colleague's needs. Then, collectively, the committee can recommend something to management. It democratizes data governance to a degree, fitting well with the democratic ethos often found in employee-owned firms.

Example:
Ace Construction Company

To illustrate how a data committee can improve clarity and decision-making, consider this representative scenario:

Ace Construction Company, a fictional ESOP business, set up a data committee after realizing different job sites were tracking subcontractor costs inconsistently. These variations made it hard to compare project performance. The committee created shared definitions through a data dictionary, added simple training, and posted dashboards. Within a year, project managers could clearly and fairly compare job profitability. While fictional, this example reflects real challenges and solutions we've seen across employee-owned companies.

A data committee is like preventive maintenance for your business's brain. It keeps information systems running smoothly and makes sure everyone, whether in the office or on the floor, can contribute with clarity.

With both a **data dictionary** and **data committee** in place, your company has a **reference tool** and a **team process** to sustain data literacy long-term. These tools help make sure the efforts in Part 2 and 3 (teaching people, sharing information, building a data culture) stay consistent and improve over time, even as people and systems change. They are more than documents. They're signals that your company takes transparency and participation seriously.

Data Committee Charter

1. Purpose

The purpose of the Data Committee is to guide and oversee how our company manages and uses data. This committee ensures that essential business data (financial, operational, employee, etc.) is accurate, well-understood, and effectively used to help the company succeed. We align data management practices with the company's goals and our culture of employee ownership, promoting transparency, education, and responsible use of information.

2. Responsibilities

The Data Committee is responsible for:

- Defining key metrics and data standards: We maintain the data dictionary and make sure everyone uses the same definitions for essential terms. If new metrics are introduced, we vet and define them.
- Data quality and accuracy: We help identify and fix data errors or inconsistencies. For example, if sales data isn't tied to accounting data, we'll investigate why.
- Access and tools: We advise on what tools or systems the company might need for data (like if we need better software for tracking jobs or a new dashboard). We also help set policies on who can access what data, balancing openness with privacy/security (e.g., protecting personal HR data).
- Education and communication: We coordinate efforts to improve data literacy, such as organizing training sessions, updating the data dictionary, or sending out a "Did You Know?" tip about reading a report. We also serve as contact points if employees have questions about data.
- Supporting decision-making: When management or teams are doing planning, we can assist by providing or validating the data needed. Essentially, we champion data-informed decisions at all levels.

> *These responsibilities echo what many **data governance groups** do: set direction, establish standards, oversee implementation, ensure compliance, and resolve issues.*

3. Composition

The Data Committee will consist of a cross-functional team to represent the whole company. We include:

- The **CFO or Controller** (Committee Chair): to represent financial data and overall strategy.
- **Department representatives** (Members): e.g., one person each from Operations, Sales/Marketing, HR, IT, and perhaps a line employee from the shop floor. These people are chosen because they work with data in their area and can speak for the needs of that part of the business.
- (Optional) An **ESOP communications or training representative**: if you have someone who focuses on employee communications, they can help with data literacy education.
- ***Advisors:*** We might occasionally invite our IT manager or an outside consultant as an ***advisor*** if technical or compliance expertise is needed (for instance, if we're implementing a new system or ensuring data security for sensitive information).

> *Having a **diverse group** is important. You want both "data people" and non-specialist end-users. This way, all perspectives are covered. For example, the IT person might ensure we have the infrastructure, but a frontline supervisor will provide the solutions that make sense for everyday users.*

4. Meetings

The Data Committee will meet quarterly (four times a year) or more often if needed.

A typical meeting will include reviewing any data issues since the last meeting, checking progress on projects (like "updating the data dictionary" or "evaluating a new reporting tool"), and planning upcoming education or improvements.

The Chair (e.g., CFO) will send out an agenda beforehand. We'll keep minutes or notes so that we have a record of decisions.

If urgent data issues arise (say, a critical error in reporting), we can call ad hoc meetings or handle them via email.

The committee will report major updates to the leadership team and, where relevant, to all employees (e.g., announcing a new definition or a new report available). We operate with transparency, letting the employee-owners know there's a team looking after data concerns and inviting feedback.

5. Decision-making

This Data Committee is not a high-stakes governance board; many decisions will be consensus-driven. We strive to make decisions by consensus (general agreement) since our goal is to find solutions that work for all parts of the company. If we can't reach a consensus, the Committee Chair will elevate the issue to senior leadership (or we vote if it's something minor). For example, if there's disagreement on how much data to share company-wide (a balance between transparency and privacy), that might go to leadership for the final call after we provide options. For most day-to-day things (e.g., adopting a standard format for reporting or fixing a data process), the committee's word will be final. We are empowered by the company's executives to make these calls in the interest of accuracy and efficiency.

6. Review and evolution

The Data Committee will review this charter and the committee's role **annually**. If the company grows or changes, the committee might need to change, too. We might rotate members periodically to involve more people and fresh perspectives.

The charter can be updated with approval of the committee and a senior executive. We want this group to remain effective, not bureaucratic, so we will continuously evaluate if our purpose is met and adjust accordingly.

7. Endorsement

This charter is endorsed by senior leadership. [If this were a formal document, here one might have signature lines for the CEO.] The endorsement says: ***We, as a company, value this Data Committee's work and grant it the authority to carry out the responsibilities above.*** It signals that management will support the committee's efforts and that committee members have ***official permission*** to spend some work time on these data initiatives.

Explore more here:

https://atlan.com/data-governance-committee/#:~:text=5.%20Decision

Conclusion



Becoming a data-literate employee-owner is one of the best investments you can make for yourself and your company. This guide has taken you from the ***why*** (the benefits of understanding data in an ESOP) to the ***what*** (key metrics and examples) and the ***how*** (building culture and using tools). Now, we close with a reminder: data literacy isn't about complex analysis or math; it's about clarity, communication, and curiosity. It's about knowing what the numbers mean and how your actions influence them.

We've seen how financial literacy has laid a strong foundation in ESOP companies. Tools like income statements, balance sheets, and performance dashboards have helped employee-owners understand business fundamentals and make more informed decisions. **Data literacy is the natural next step as an evolution of that success.** It builds on the same principles of transparency, understanding, and empowerment.

At Deanalytics, we've supported employee-owned firms on this journey. From helping teams create data dictionaries to facilitating cross-departmental data committees, we've seen what happens when data becomes part of everyday culture: stronger decision-making, deeper engagement, and measurable results.

In employee-owned businesses across industries—manufacturing plants, construction firms, utilities, service companies—ordinary people are doing extraordinary things with the help of data. They're holding weekly team huddles to go over job costs. They're spotting trends in safety reports and preventing accidents. They're sharing financial results openly and coming up with ideas to boost sales or cut waste.

And they're seeing results. These businesses often become leaders in their fields: growing faster, engaging workers more deeply, and weathering storms better than others.

The employees behind these winds aren't all MBAs or statisticians. They're people like you, with practical, firsthand experience who now understand the data that surrounds their work.

Real world examples

Think back to the success stories we highlighted:

- The "millionaire grocery clerks" of WinCo Foods prove that when employees collectively drive company success, wealth is created for everyday working people.
- The dramatic turnaround of SRC, where open-book management (teaching everyone the numbers) helped save the company and ultimately created enormous shared wealth.
- The growth of firms like Burns & McDonnell in engineering or Inland Truck in services, where leaders explicitly credit an ownership culture for turning good companies into great ones, and data transparency is a core part of that culture.
- The stories of employees at New Belgium Brewing and others who learned to read financials and felt truly empowered as co-owners.

What do they all have in common? *Employees were given information and education, and they rose to the occasion.*

They started thinking and acting like owners because they had the tools to do so. Data was not hidden or hoarded; it was shared and discussed, which unlocked the problem-solving power of hundreds of minds.

What can this look like for you?

These aren't distant success stories. They're examples to draw inspiration from in your own role:

- If you're a technician or electrician, you might use numbers to flag inefficiencies and work with leadership to fix them, increasing profitability (and ESOP value).
- If you're in compliance or HR, your careful reporting could surface trends that spark strategic change.
- As a mid-level manager, sharing data with your team builds trust, sharpens planning, and helps you advocate effectively for resources.

With basic data literacy, employees across all levels begin to connect their actions to business outcomes. That mindset shift is the true power of data literacy.

Every question asked, every conversation started, moves your company closer to a stronger data culture.

How to begin

By using the tools in this resource, you can move from ideas to action:

- **Start a data dictionary.** Pick 10 commonly used terms and define them clearly. This can align conversations and reduce confusion.
- **Form a data committee.** Your company likely already has an ESOP committee or safety committee; adding a data (or continuous improvement) committee could be the next evolution. If a formal committee sounds too much for your company size, you can still adopt the principle of assigning a "data champion" in each department to liaise on data issues.
- **Pay closer attention to one line in your next report.** Take five minutes to really understand one line of the next report you read, particularly one line or concept you never paid much attention to before. Ask what it means, how it's calculated, and how it connects to your work.
- **Talk about the numbers.** Over the next week, chat with a coworker about a data point you saw, and normalize the habit. ***"Hey, did you see our output was up 10% last month? Wonder what drove that?"*** Small conversations build comfort and interest.
- **Encourage leadership to share more**, especially if they don't already. Sometimes, management is hesitant because they think employees might not care or understand. Show them otherwise: ask questions about the business metrics and show curiosity. That can open the door for more openness from their side.

Data literacy is a journey, not a destination, and certainly not a test.

You won't suddenly know everything and master every metric, and that's okay. *But step by step, you will gain confidence.* **And as you do, your contributions will likely get noticed.**

In many ESOPs, data-literate employees often become informal leaders, regardless of their title. You become the person who can connect the shop floor to the bottom line or the fieldwork to the financial statement. Linking day-to-day work with company performance is a rare skill and a valuable perspective. It might lead to career growth opportunities, as many companies love to promote people who show they understand the business as a whole.

Moreover, understanding data makes work more satisfying. Instead of just doing a task because you're told to, you'll see the impact of that task. You'll know if a change made things better because the data will reflect it. It's motivating to see progress tangibly. It turns work into more of a game or a challenge. Can we beat last quarter's sales? It engages that inner drive to win that many of us have, and it does so in a healthy, collaborative way (since we all win together in an ESOP).

In an employee-owned business, you are not just an employee, you are an owner. Data is the information owners use to steer the ship. By becoming fluent in that information, you equip yourself to take the wheel, helping avoid hazards and find smoother waters for your company. And as the company thrives, so will you: with stronger financials, a more stable workplace, and a retirement nest egg that grows alongside your contributions.

We hope this guide has given you a clear, practical roadmap to improve data literacy in your organization. Share it with others in your company to get everyone on board. Use the tools we've provided. Whether it's a one-page snapshot, a new metric definition, or a team discussion around this quarter's results, each step matters.

Empower yourself with knowledge. Ask questions. Use data as your ally. Teach your peers what you learn. Little by little, you can transform your workplace into one where every employee-owner feels confident reading the scoreboard of the business and excited to contribute to it. In such a workplace, there's a sense of unity and purpose. People say "we" a lot, not "they, because everyone is playing on the same team.

Employee ownership is often called the "ownership advantage". Companies with broad employee ownership frequently outperform others. By adding a "data advantage" on top of that, you unlock shared accountability, shared decision-making, and shared success.

When we share ownership, we commit to the journey together: the wins, the losses, and every decision in between. When we share data, we equip ourselves to navigate that journey with clarity, confidence, and collective insight.

Data literacy bridges the gap between ownership on paper and ownership in action, empowering every employee-owner to participate meaningfully, contribute strategically, and share fully in the rewards. It unlocks the possibility for everyone involved to participate, to grow, to learn, and to retire rich. Let's use data as our common language, making ownership more than a structure—making it a culture.

Employee ownership is often called the *"ownership advantage".* **Companies with broad employee ownership frequently outperform others.**

Explore more here:

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About the author

Aaron Dean is a data strategist and former employee-owner with a decade each in analytics and employee ownership. He helps employee-owned companies turn complex data into clear, actionable tools that improve engagement, productivity, and long-term value. Through partnerships with organizations like the National Center for Employee Ownership (NCEO) and the Employee Ownership Expansion Network (EOX), Aaron creates customized solutions that align data with purpose and mission. He's known for making technical work approachable, empowering EO leaders to use data and AI with confidence. With a people-first mindset and a deep understanding of the EO landscape, Aaron helps companies build systems that serve both the business and its employee-owners.



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