



# Enterprise Management Incentives (EMIs)

Should your agency be using EMIs?



EMIs are approved employee share schemes that allow you to offer tax-beneficial share options to your employees. These schemes tend to be used by smaller businesses to help them recruit and retain employees; and therefore compete with larger companies that can offer higher salaries.

The scheme allows your employees to buy a set number of the company's shares at a price set by you, at some point in the future. The right to buy the shares 'vests' on that future date, so the employee can buy them immediately or they can wait until a later date, perhaps the day that the company is acquired (an 'exit' event), in trade sale, management buyout or even a flotation on a stock exchange.

## Should you Consider EMIs?

**Do you want to reward key employees with shares without giving away equity?**

Yes

No

**Do you employ less than 250 people and struggle to get your key employees to commit to the agency?**

Yes

No

**Are the total gross assets of the company below £30million?**

Yes

No

**Employees being gifted the shares do not have a material interest in the company?**

Yes

No

**Do your employees spend 25 hours per week, or at least 75% of their time working at the company?**

Yes

No

**The company has a 10 year goal that can be used to execute the shares?**

Yes

No

If you answered yes to all of the above, you should consider implementing EMIs to incentivise your employees. For help implementing these schemes, contact [lee.manning@raffingers.co.uk](mailto:lee.manning@raffingers.co.uk).