
7-1-8 Things to Understand About Equity Communication Plans

In honor of Aon's annual 718 week, here are seven common communication program mistakes companies make, one fresh idea to try out, and eight tips to get more out of your education and equity plans.

There are many factors to consider when developing an effective communication strategy that will keep employees informed and motivated, especially when it comes to explaining benefits and rewards. First, let's take a look at some common errors that companies make in their equity communication plans.

Seven common communication mistakes to avoid

1. **Being vague.** Always be specific when communicating with employees. Explain what they really have versus what someone might theoretically have.
2. **Overcomplicating it.** You aren't dumbing things down. By simplifying the facts, you will ensure understanding.
3. **Fearing questions.** Of course, you can't answer everything on the fly. It's ok to say you'll do some research and come back when you have more information. Honest, open discussion is one of the most effective education tools.
4. **Being boring.** With rules, laws, limits and taxation as core themes, it's easy to be boring and lose your audience. Focus your efforts on standing out to get people's attention.
5. **Serving alphabet soup.** ESPP is great after you've explained it the first time. FIT/SIT and IRC are distracting. If your people are trying to remember what NQDC means, they aren't listening to your next sentence.
6. **Utilizing excessively verbose verbiage.** Instead, just use fewer words. Also, "utilize" is "use" when it's trying too hard.
7. **Using passive voice.** Let verbs be verbs. You'll be amazed by how much better the communication will sound. For example, instead of "shares will be withheld by us to cover your taxes," try "we withhold shares to cover your taxes."

One fresh idea

Consider using trailers to announce new plans, programs and offerings. This will help to eliminate the weight of implementing a full educational program.



Eight tips for putting your equity communication plan into action

Now it's time to put your plan into action. These tips will help ensure your stock plan messaging to employees is clear and effective.

1. **Never make a list that's 718 items long.** You knew that already, right? Somewhere between one thing and too many things is the sweet spot that gives your employees enough information to get them excited about what your stock plan means to them, but not so much that they are overwhelmed.
2. **Clean house often.** Most stock plan libraries and knowledge centers have cobwebs. When in doubt on stock plan content, throwing it away is always the right answer.
3. **Define your communication's purpose.** Every time you educate your employees, start with one question. What do you want them to remember? Now narrow that down. No single communication will provide encyclopaedic knowledge of a complicated plan. When you're writing that email or creating that presentation, stop, breathe and ask yourself: "what is the *one* thing I really want people to get from this?"
4. **Think about visual communication.** Words alone are beneficial for quick explanations and detailed instructions at a specific time. But some things just work better with a visual. Showing tax treatment is one of these things. ESPP lookbacks and rollovers are easier to follow in a video. Choice plan decisions can be helped along by a modeler in an electronic brochure.

5. **Communications should take effort to write, not to read.** Bring people from where they are to where you want them to be one step at a time. If you line up the details in your communication in the right order, they'll stay with you. Think back to when you were first learning the ropes. What did you need to know first, second and third?
6. **Beware of rabbit holes.** You know at least 718 things about why your plan is structured the way it is. Most employees only need to know a few. For instance, it's not necessary for them to understand the accounting rules applied to your value-based grants, just that their grant sizes will change year to year for reasons involving general accounting rules and the value of the stock.
7. **Give enough detail for most people.** Most of your employees want basic explanations. The ones who want the full story will find you, but don't design your communications around the select few who want to do their own \$25K limit calculations or you'll risk losing the attention of the majority.
8. **Manage employee expectations.** As soon as you provide translated materials, employees may expect the communication to already be customized to the plan rules of their country. If it's not, say so up front. It's better to be open and honest to avoid any surprises.

Want more tips, tricks and fresh ideas for your equity communication plans? Reach out to the Aon equity services team [here](#). Our team of equity communications experts tailors employee education for all kinds of benefit plans. We can help with your video, brochure, email campaign, slide presentation or skywriting text. [Click here](#) to learn more. You can also see samples of our video offering at equity.aon.com.

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