



# Job Quality Case Study

## Optimax Systems Inc.

Optimax is an advanced manufacturer based in Ontario, NY that develops precision optics for research and industry. Founded in 1991, the company has grown to 400 employees and creates optics for various industries, including aerospace. All four of the NASA rovers currently exploring Mars, for example, are equipped with lenses from Optimax.

Rick Plympton, CEO, credits the company's success to the strength of its workforce. From the beginning, Optimax has believed that investing in its employees and ensuring a healthy work-life balance is critical to a successful business. By building a self-leadership culture, employees are empowered to identify innovations and efficiencies that will reduce expenses and/or help the company grow faster.

### Benefits

Optimax believes that a workforce which benefits from the company's successes is more likely to be invested in driving its growth. Starting in the mid-90's, the company began sharing 25% of monthly profits with employees who have worked at Optimax for at least 90 days, and they fully vest in the bonus at their 5-year anniversary. No matter their role, all employees receive a monthly bonus check for the same amount, which has averaged over \$1000 per month for the past few years.

Optimax also offers a 401(k) and strongly recommends that employees contribute a minimum of 20% of their monthly bonus check into their retirement account; some decide to contribute more. Plus, Optimax gives a 50% match for the first 6% of monthly contributions. The company's goal is to provide every employee with the opportunity to be a millionaire before retiring.

Optimax has developed a range of other benefits including an annual \$5,000 continuing education benefit that helps employees pursue their interests, develop new skills, earn credentials, and build their leadership potential. Paying for training expenses upfront, as opposed to reimbursing staff upon program completion, removes the barrier of out-of-pocket expenses and encourages employees to develop and grow in their careers. Employees can also participate in the company's "beach club." For an annual contribution of \$250, employees have free access to a company-leased beach condo in Cocoa Beach, Florida for vacations in the warm sunshine.

### Organizational Culture

As the company grew, Optimax wanted to better understand and empower its workers. What began as a committee to plan employee events turned into the Wellness Committee. Participants join voluntarily, and the company encourages representation from across its various divisions. The committee provides resources and events to improve work-life balance, career development, financial security, and emotional, physical, and social well-being.

### Empowerment & Representation

Optimax has developed a self-leadership culture that gives employees the power to shape how they complete their work. While this also means that staff take responsibility for their decisions, the company tries to set up each employee for success when they first join Optimax by administering a DiSC assessment, a tool for personal growth, career development, and effective team communication. Optimax believes that employees who work in roles that complement their strengths have greater potential to become superstars, are happier and more productive.

### Pay

Optimax strives to pay everyone a fair wage and honor those employees who have been with the company through good times and challenging periods. When employees stay at a company for several decades, their wages tend to reach the uppermost limit of their position's salary band, which restricts future salary increases and may



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impact job performance. As a result, Optimax provides each employee who has been with the company for 25 years a block of phantom stock options, and when the employee reaches their 30<sup>th</sup> work anniversary, they receive a payout for these. This added benefit demonstrates appreciation for the employee's dedication but also incentivizes their continued commitment to share their years of experience with younger team members to help ensure the company's growth and success.

### Outcomes

Optimax's self-leadership culture may not be the right fit for all workers, especially for those who are accustomed to a top-down leadership philosophy. The staff retention rate for the first two years of employment is 50% as employees adjust to the culture, but for those who stay for more than 2 years, their retention rate is greater than 90%.

Some business leaders will argue that sharing financial performance and profits with employees won't improve performance. They disagree – Optimax is a capital-intensive manufacturing business that has averaged 25% annual revenue growth for over 30 years. Optimax could not do this without the daily engagement and commitment of the workforce.

To ensure the long-term prosperity of their employees, in 2020 Optimax converted to an Employee Ownership Trust with a written Perpetual Purpose. The Trustees ensure that Optimax will never be sold (it will remain independent), that they will always share 25% of profits with employees and that the leadership team is working to fulfill the mission of "Enabling customer success and employee prosperity."