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PROFIT SHARING

How to Get Your Employees to

>> Stay for Years

>> Be Loyal

>> Work Hard for You

Read on, Playa ■■■■

// THREAD //

OK, SO WHAT IS PROFIT SHARING?

Taking 5-10% of your company's profits

And distributing it to your employees

Every quarter or once a year

You do this to incentivize employees to work harder & stay longer

Simple enough, right?

Let's get into it ■

THE PROS

- give team skin in the game
- instills ownership mentality
- motivates team to work hard
- builds loyalty & trust
- incentivizes team to stay at company longer

THE CONS

- costs \$
- cuts profit margin short-term
- you spend time thinking & figuring plan out
- potential to cause drama within the workplace

Pros heavily outweigh cons

Think long-term

You sacrifice a slice of profit on the front-end

Get back loyalty, ownership mentality, & long employee tenures in the long-term

Easy decision

BEFORE YOU START

Have a GREAT, TRUSTED, HARDWORKING team in-place

Be profitable (duh)

Set quarterly/yearly goals for your company & each employee

Teach your team

- basic finance/biz principles
- how your company runs financially: Revenue, Expenses, Debt, Profit Margin

WHO QUALIFIES

Employees who stay 1+ year

Non-commission & full-time employees

NO part-time or commission-based employees

Valuable money-makers... don't add lazy or unimportant employees (while we're at it, you should fire them)

HOW TO DISTRIBUTE

Divide overall profit share pot by employee salary

Let's say your profit share pot is \$1M & overall employee salary on profit share is \$5M

- Employee making \$100K gets \$20k
- Employee making \$350K gets \$70K

Pay out quarterly or yearly as a bonus

CONCLUSION

To build an empire you need a long-term minded, skin-in-the-game team

Profit Sharing is the way to go

It'll change you & your employees' lives

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// END THREAD //

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