

RESEARCH BRIEF

Institute for the Study of
Employee Ownership and Profit Sharing

Women in ESOPs

Questions: How do women fare in ESOPs? How do women in ESOPs compare to women not in ESOPs?

Summary: Some gender differences in the larger society are reflected in ESOP companies. There are fewer women than men in ESOPs. Within ESOPs there are fewer women in top management and highly trained/high pay occupations.

Women in ESOPs have lower ESOP account values and profit/gain sharing bonuses than men.

Women in ESOPs have lower workplace participation and higher work to family conflict than men.



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This report is based on the Rutgers
National ESOP Survey administered
in 2019-2021, supported by the
Employee Ownership Foundation
and the Amazon Mechanical Turk
Survey for non-ESOP workers
supported by the Rutgers Institute.

Compared to women in non-ESOP companies, ESOP women have more access to profit sharing and gain sharing and a greater dollar amount of these bonuses along with more 401(k) savings. The gender pay gap among ESOP workers is much lower than among non-ESOP workers.

There are fewer women than men in ESOPs and fewer women in top management and highly trained/high pay occupations in ESOPs.

- ❑ In the Rutgers ESOP Survey, 68.5% of employees are men and 31.5% are women.
- ❑ This is very similar to the U.S. General Social Survey that found men to be 63% of ESOP employees and women to be 37% of ESOP employees.
- ❑ By occupation, women are overrepresented in administrative support jobs and customer service staff. Men are overrepresented in professional/technical staff and management positions.
- ❑ The detailed analysis below shows how women and men tend to be concentrated in very different occupations in ESOP companies (from the Rutgers ESOP Survey—differences in red are large enough to be outside the margin of error).

ESOP Survey		Men	Women	Total
Production, maintenance, or delivery work (including production supervisors)	Count	90	46	136
	% within Occupation	66.2%	33.8%	100.0%
	% of each gender	12.9%	14.4%	13.4%
Administrative support staff (e.g., clerical, secretarial, record keeping)	Count	11	50	61
	% within Occupation	18.0%	82.0%	100.0%
	% of each gender	1.6%	15.7%	6.0%
Professional/technical staff (e.g., engineering, finance, marketing, human resources)	Count	416	149	565
	% within Occupation	73.6%	26.4%	100.0%
	% of each gender	59.8%	46.7%	55.7%
Sales staff	Count	15	8	23
	% within Occupation	65.2%	34.8%	100.0%
	% of each gender	2.2%	2.5%	2.3%
Customer service staff	Count	4	19	23
	% within Occupation	17.4%	82.6%	100.0%
	% of each gender	0.6%	6.0%	2.3%
Management (including department heads, mid-level managers, and executive)	Count	160	46	206
	% within Occupation	77.7%	22.3%	100.0%
	% of each gender	23.0%	14.4%	20.3%
TOTAL	Count	696	319	1015
	% of Total	68.6%	31.4%	100.0%

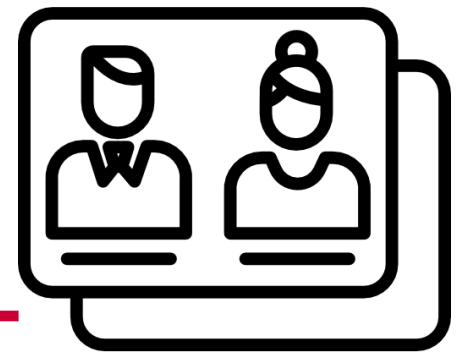
Women in the same occupations and with the same tenure as men in ESOPs have lower ESOP account values and lower profit-sharing and gainsharing annual bonuses.

□ When men and woman with the same age, tenure, education, race, management, and occupation are compared in ESOPs, women are lower in:

- Profit- and gain-sharing bonuses and
- ESOP account values.

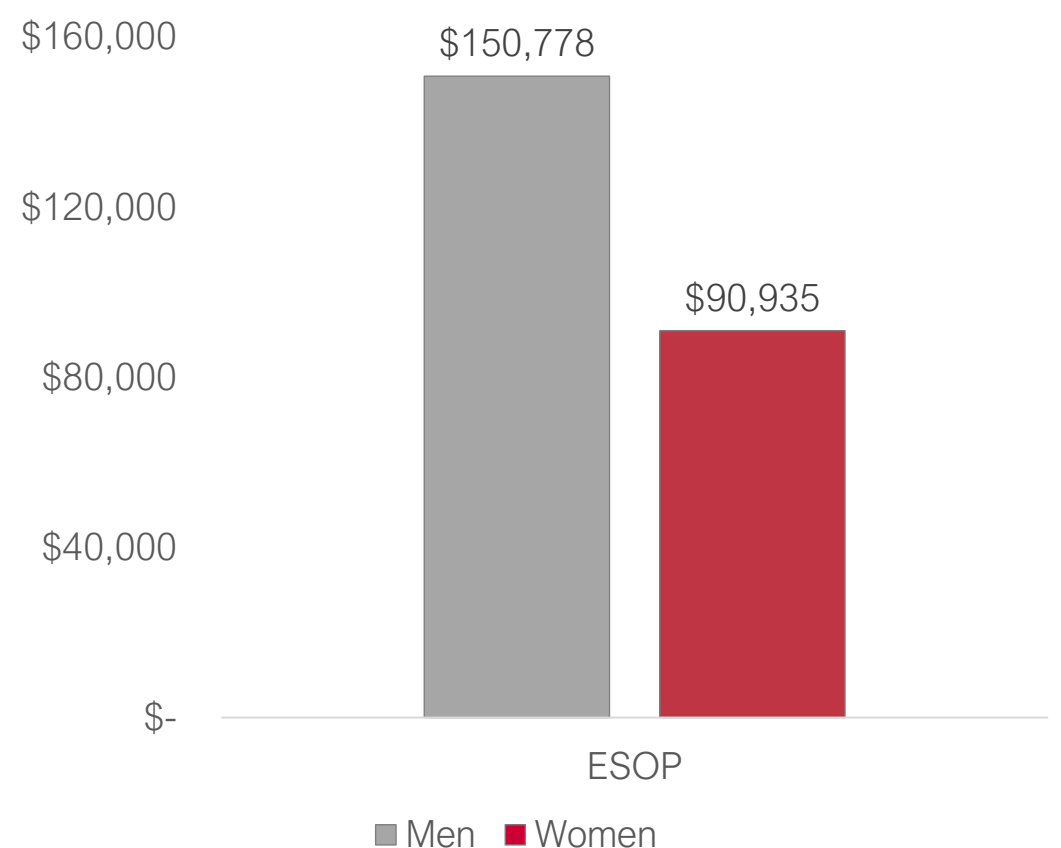
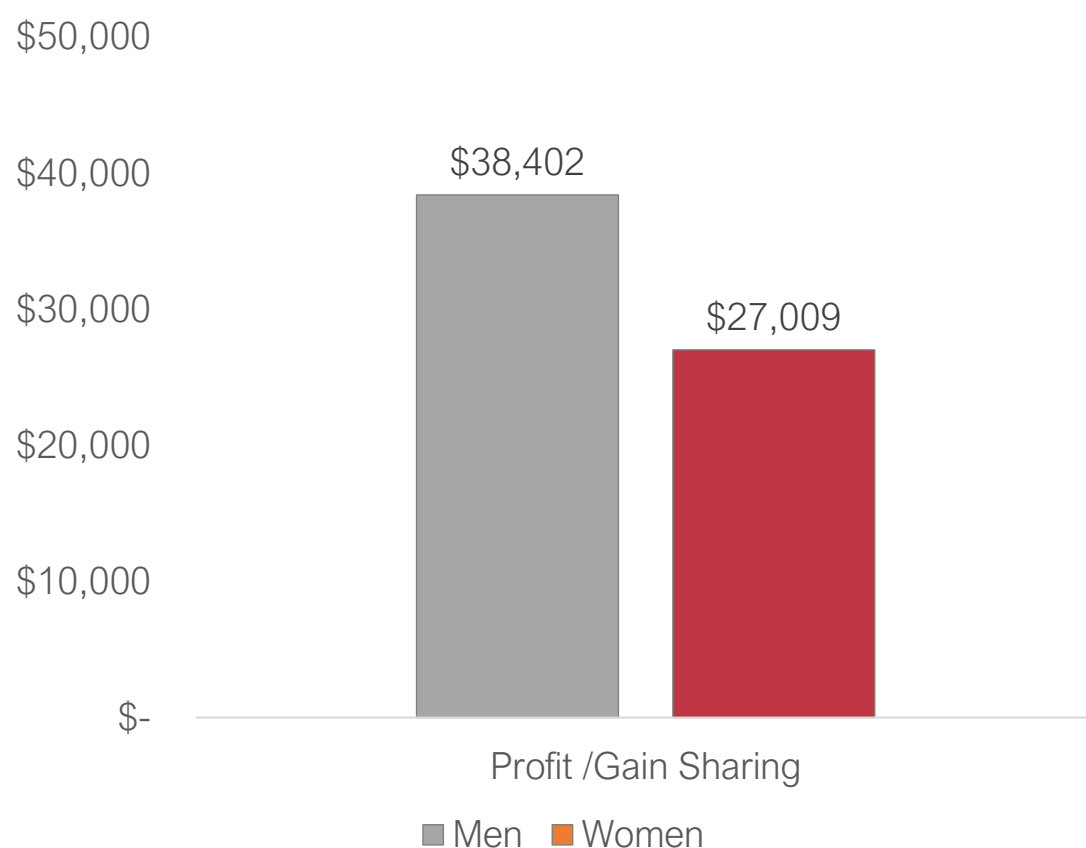
(Overall means in red below)

□ While we do observe gender differences in base pay, individual bonuses, and 401(k) amounts in the ESOP survey between women and men, these differences are within the statistical margin of error.



Women Compared to Men in ESOPs

ESOP	Men		Women	
	Mean	Median	Mean	Median
Base Pay (M=696, F=320)	\$78,548	\$82,500	\$59,254	\$55,000
Individual Bonus (M=117, F=60)	\$5,239	\$1,000	\$10,818	\$1,000
Profit/Gain Sharing (M=460, F=169)	\$38,402	\$25,000	\$27,009	\$15,000
401(k) (M=634, F=287)	\$119,626	\$30,000	\$72,252	\$30,000
ESOP account value (M=591, F=239)	\$150,778	\$57,500	\$90,935	\$30,000



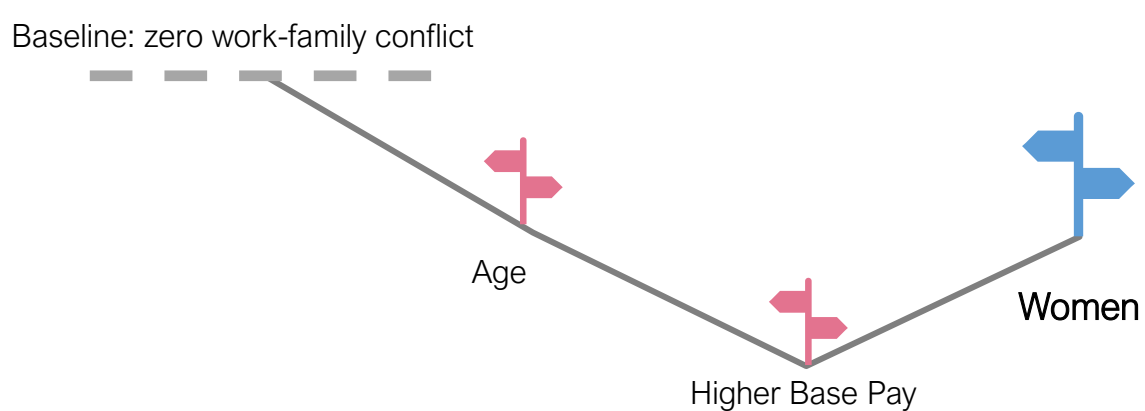
In ESOPs, women have lower workplace participation, and experience higher work-to-family conflict than do men.

Women in ESOPs have lower workplace participation than men in ESOPs.

- ❑ Women workers show lower scores in questions asking their level of involvement in decision making in the workplace than men.

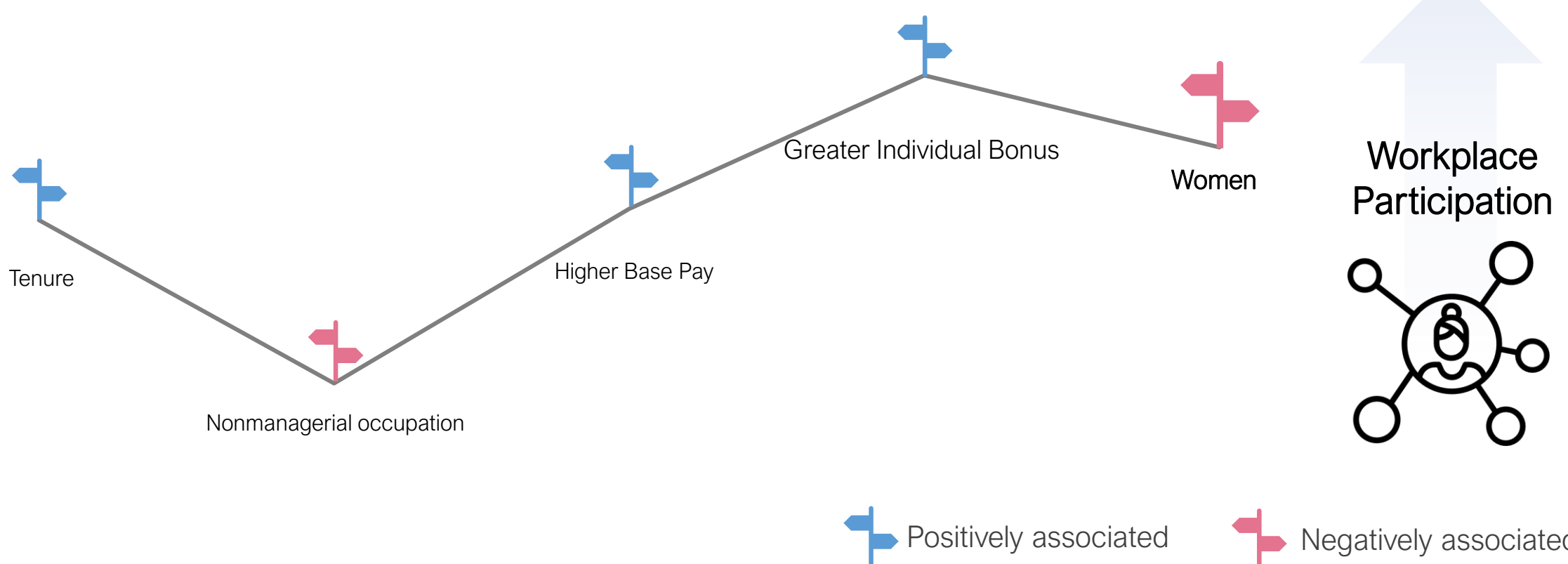
Women in ESOPs report higher work-to-family conflict than men. However, this is true across both ESOP and non-ESOP female workers.

- ❑ Women in ESOPs show higher work-to-family conflict than men.
- ❑ Yet, this is common across both ESOP and non-ESOP female workers.



Even women in the top quarter of ESOP satisfaction are still experiencing higher work-to-family conflict than men.

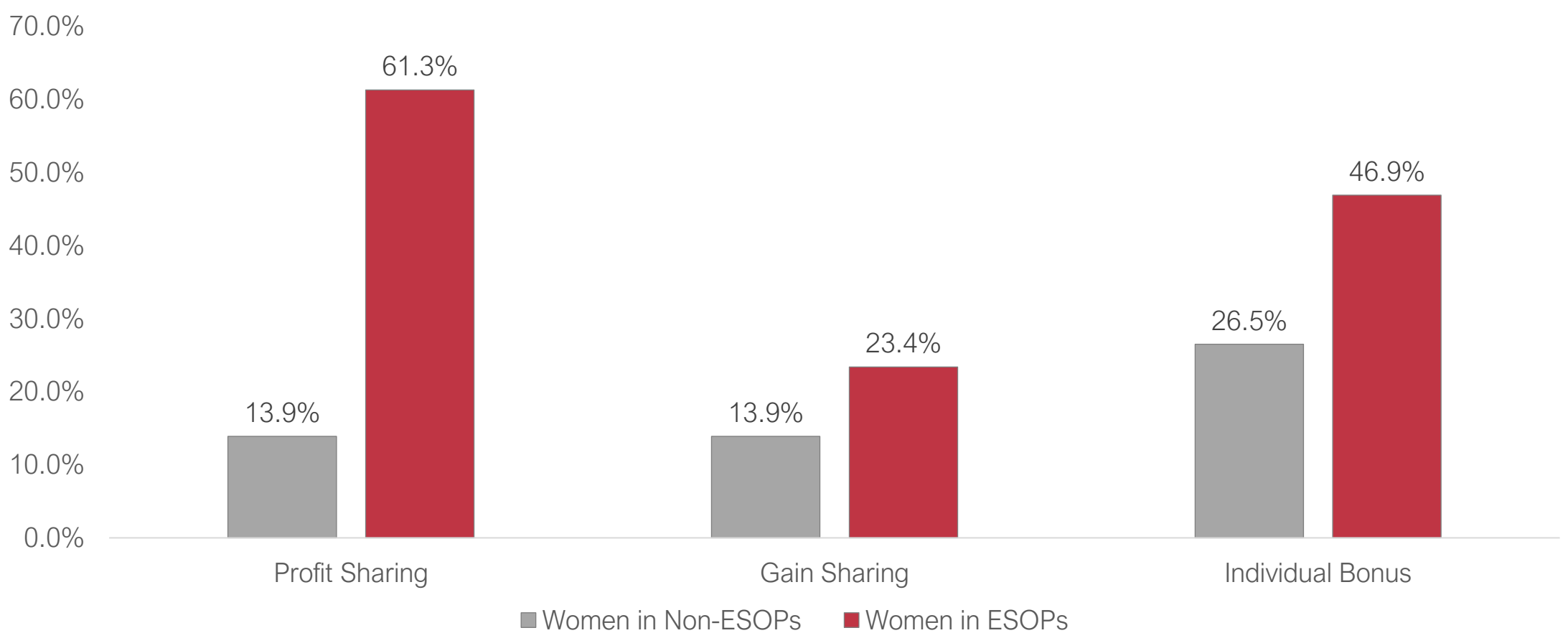
Obstacles to Higher Workplace Participation among Women in ESOPs



Women in ESOPs have more profit-sharing, gainsharing, and individual performance bonuses than non-ESOP female workers.

- ❑ Women in ESOPs have more access to profit-sharing, gainsharing, and individual bonuses than women in non-ESOP companies.
- ❑ Women in ESOPs have higher base pay, more generous amounts of individual bonuses, profit-sharing, and gainsharing, and greater 401(k) account values than non-ESOP female employees.
- ❑ Also, women in ESOPs do NOT experience a gender gap in base pay in the same occupation, whereas women in non-ESOPs do.

Percent Who Have Access: Women in ESOPs vs. Women Not in ESOPs



	ESOP		Non-ESOP	
	Mean	Median	Mean	Median
Base Pay	\$59,254	\$55,000	\$49,112	\$45,000
Individual Bonus	\$10,818	\$1,000	\$8,804	\$3,500
Profit/Gain Sharing	\$27,009	\$15,000	\$23,364	\$4,500
401(k)	\$72,252	\$30,000	\$63,858	\$30,000

Conclusions

- There are fewer women in ESOPs than there are men in ESOPs.
 - In ESOPs, there are fewer women than men in top management and in highly trained/high pay occupations.
 - Women in ESOPs have lower profit-sharing and gainsharing bonuses, and lower ESOP account values, than men in ESOPs with the same tenure and occupations.
 - Women in ESOPs perceive lower workplace participation and higher work-to-family conflict than men in ESOPs. But more work-to-family conflict for women is common to both ESOP & non-ESOP employees.
 - Women in ESOPs have significantly greater access to profit-sharing, gainsharing, and individual performance bonuses, and greater 401(k) account values than do women in non-ESOP companies.
 - Women in ESOPs also do not experience a gender pay gap in their base pay when age, race, education, and tenure are controlled, whereas women in non-ESOP companies do.
 - There is room for improvement for women in ESOPs compared to men, yet ESOP companies are more equitable for women than non-ESOP companies.
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