

ISSUE HIGHLIGHTS

- Can a company be both employee-owned and woman-owned? The NCEO digs in to a question that is more complex than it looks on [page 2](#).
- Most ESOPs are win-wins, but what are the signs that a transaction is going the wrong way? See [page 3](#) for common red flags in ESOP transactions.
- How can ESOP transactions facilitate charitable contributions? One of our Q&As has the answer on [page 5](#).
- Why is employee ownership growing so fast in the United Kingdom? Deb Oxley of the UK's Employee Ownership Association explains on [page 6](#).
- An employee survey is just a survey... unless you do it the way King Arthur Flour did. You can learn from their approach on [page 8](#).
- Difficult conversations can be productive if you ask yourself the three questions on [page 9](#).
- The NCEO's board secretary reports on the state of the organization on [page 11](#).
- Can stock compensation make you happier? See the commentary on [page 15](#).

EMPLOYEE OWNERSHIP REPORT

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100 BEST COMPANIES TO WORK FOR

Almost Half of the 100 Best Companies Have Employee Ownership

Of the 73 corporate winners of *Fortune's* 2017 100 Best Companies to Work For award, 35 had broad-based employee ownership plans (27 of the winners were nonprofits, partnerships, or other organizations that do not have stock). That is slightly down from prior years, when the percentage was just over 50%.

Of the plans, five were ESOPs: W.L. Gore (12), Burns & McDonald (16), Publix (67), QuikTrip (76), and Sheetz (97). Gore, Burns & McDonald, and Publix are majority employee-owned. Seventeen companies, almost all in technology, have broad-based equity grants, and most of them also have employee stock purchase plans (ESPPs). The remaining winners have some form of broad-based stock purchase plan. Baird and PCL are both majority employee-owned through these plans by a majority of their employees.

Companies have to apply to be on the list, and it is traditionally overweighted toward technology and healthcare providers.

—See the list of 35 companies on [page 13](#)

RESEARCH

Findings from the 2016 ESOP Executive Compensation Survey

Having an ESOP matters for companies' executive compensation strategies. Survey data can help compensation committees decide on what approaches make sense. While industry surveys are part of this analysis, because ESOPs have specific cultures and legal issues, an ESOP-based survey is also critical. The NCEO's Executive Compensation Survey is the only source of compensation data specifically tailored to companies with ESOPs.

The NCEO gathered executive compensation data from ESOP companies from October 2016 to January 2017; our online survey received 419 responses

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**EMPLOYEE
OWNERSHIP
CONFERENCE 2017**

Thank you to all who braved the snow and joined us at the annual conference in Denver! We look forward to seeing you in Tampa (October 3–4, 2017) and Atlanta (April 18–20, 2018).