Rutgers University
School of Management and Labor Relations
Fall 2026 Synchronous Online Class

Equity Compensation & Employee Share Ownership

<u>This class is open to both undergraduates and graduate students.</u>

For undergraduates: 37:533:353:90

For M.A. students: 38:533:618:90.

<u>General Information:</u>

This will be an entirely ONLINE ZOOM seminar with **<u>a lot of discussion and brief weekly readings</u>**. **I<u>t is not a lecture class</u>**. <u>This semester there will be a special focus on major corporations working in the area of Artificial Intelligence (AI).</u> There will be online executive guest speakers in the last hour and a half of every class top present a company case study with a chance for you to ask questions and hear their answers. The discussions invite class participation, supplemented with brief 10 minute lectures by the professor. A live case study on Zoom from the CEO of a firm or another expert will take place almost every week in class.

Overview of Assignments: A brief email will be due the evening before each class with your comments and questions, a mid-term book report, a final paper.

Course Time and Room: Wednesday, 5:40 pm-8:40 pm ON ZOOM ONLINE SYNCHRONOUS CLASS

Professor Joseph Blasi, J. Robert Beyster Distinguished Professor Emeritus, Human Resource Management (HRM) and Distinguished Professor, Labor Studies and Employment Relations (LSER)

Professor Email: blasi@smlr.rutgers.edu

Office Hours: Every week before and after class on Zoom or by appointment on Zoom or by phone or in my office at the Levin Building.

<u>Required Readings:</u>

<u>Note: All readings will be given to you free of charge.</u>

Shared Entrepreneurship: A Path to Engaged Employee Ownership. Edited by Frank Shipper. New York: Palgrave Macmillan, 2014. (**Copy available on Canvas**, if you wish, buy the Kindle Edition Only)

The Citizen's Share: Reducing Inequality in the 21st Century. Joseph Blasi, Richard Freeman, and Douglas Kruse. (BFK) New Haven: Yale University Press, 2014. (**Complimentary PDF copies will be distributed to the class at no charge. Please do not purchase this book**.)

The professor will supplement the readings with research articles, statistical reports, and working papers.

Videos

-"Our Share: Employee Ownership as a Wealth Sharing Tool"
https://www.coursera.org/learn/employee-ownership

-"We The Owners" full-length documentary film (secure link and password will be provided)

Course Description:

This survey course explores the variety of ways that businesses can compensate employees with shares of equity and profits, and the human resource management, employment relations, organizational and individual motivational issues that such practices raise. The goal is to provide HR and Labor Studies professionals with a working understanding that they can apply in real-world situations. All classes will include a presentation by an expert guest speaker, typically the manager of a company, followed by discussion. Explorations of research and other material related to understanding the topic of "equity compensation and employee ownership" will make up the remainder of the course. Students are expected to arrive to class having completed and reflected upon the readings.

Required Course Work:

Reading Synopsis by Students:

At the beginning of class, two students will present a synopsis of the assigned readings to start the discussion.

Mid-Term Requirement:

For the mid-term, you will complete an eight-page book report on 250 pages of a book you select.

Final Paper Requirement:

The final paper will be an eight-page paper on a question of your choosing related to the course topic, which includes a clear articulation of the question, a literature review, your analysis, and your "answer" to the question. It must reference concepts or readings from the class and include citations. On the last day of class you will make a short presentation.

Participation in-Class:

Arrive at class prepared to engage actively in class discussion, and in Q&A with the speaker, having completed and reflected upon assigned readings. There will occasionally be a required discussion forum. Student participation in the discussion forum will count toward their participation grade.

Participation in class meetings is critical to the class both in terms of being present in class and fully participating.

Attendance will be taken in class and those not in attendance will lose points on the participation score. Regular attendance is required. Active participation in class discussions is expected and required.

Grading:

Grades will consist of the following components of 100% of the grade:

Mid-term – 30%; Final paper – 30%; Reaction papers and accompanying presentations – 20%
Active Participation in "Live" Class Discussion (regular attendance required) – 20%

Points can be deducted for not being present in order to participate in the class, and for egregious classroom conduct (as described below). Absences reduce the participation score.

The grade range is as follows: A = 90% and above.; B+ = 85%-89%; B = 80%-84%; C+ = 75%-79%; C = 70%-74%; D= 60%-69%;F = less than 59%.

Academic Integrity:

An academic integrity contract must be signed by each student in order to receive a grade.

AI Policy

You should be basing your mid-term and final paper on your reading and not on the use of AI.

Classroom Conduct:

It is important for a serious learning experience to have a quiet and respectful environment in the classroom online.

Class Schedule:

Date	Topic and Reading Assignments
Sept. 2	Introduction: Varieties of Equity Shares
	Speaker from The Okonite Company
Sept. 9	The Large Diversified ESOP Manufacturer
	Speaker: CEO of Amsted Industries
	Read:
	The Citizen's Share, Introduction and Ch. 1
	Watch Coursera Module 1 and "Roots: Historical Traditions" videos

Sept.16	The Employee Stock Purchase Plan as Equity Compensation Speaker from Fidelity Investments Read: "Money Left on the Table," Bebenko and Sen (2014) Watch the rest of Coursera Module 2
Sept.23	Stock Sharing and Financial Well-being Speaker: Representative from an equity comp company The Citizen's Share Ch. 2
Sept.30	Highly Participatory and Transparent Organizations SRC and WL Gore Read: Shipper, Ch. 5, 6, 7, 14 Watch Videos (links in Canvas) Watch video: We the Owners
Oct. 7	RSUs and Stock Options Read: "Thinking Strategically about Equity Compensation," Morgan Stanley Brief Watch Equity 101
Oct. 14	Employee Buy Outs: Collective Bargaining Speaker on Homeland Foods Watch Coursera Module 3 No Reaction Paper Due.

Oct. 21 Mid-term Presentations

Oct.28 Equity Compensation in a Multinational

Speaker from Unilever

Read:

Unilever <www.shareinourfuture.com> (including video)

"Do Broad-based Employee Ownership, Profit Sharing and Stock Options Help the Best Firms Do Even Better? " Blasi, Freeman, Kruse, 2015, British Journal of Industrial Relations

Nov .4 Employee Ownership for Internet Platform Companies

Read:

"An Internet of ownership: Democratic design for the online economy," Nathan Schneider

<www.UpandGo.coop> (Links to an external site.)

Just Health: Case Studies of Worker Cooperatives in Health (excerpt

Nov.11 The Worker Cooperative Conglomerate

Speaker from Mondragon University

Read:

"The Mondragon Cooperative Experience: Notes on History, Scope and Structure"

Whyte, Ch. 1 and Ch. 21

Shipper et al on Mondragon

Nov. 18 Equity and Profit Shares in Private Equity

Case to be Announced

Dec. 2 The ESOP-B Corporation

The Citizen's Share, Ch. 4

Mission-Led Employee-Owned Firms: The Best of the Best

No Reaction Paper Due

Dec. 9 Verbal Presentation of Final Paper Projects

Note: You have an additional week to finish your paper and hand it in.

<u>School of Management and Labor Relations (SMLR) Learning Objectives:</u>

This course is designed to help students attain the following SMLR learning objectives:

I) Written & Oral Communication – Communicate effectively at a level and in modes appropriate to an entry level professional

• Communicate complex ideas effectively, in standard written English • Analyze and synthesize information and ideas from multiple sources to generate new insights • Produce high quality executive summaries • Make an argument using contemporary and/or historical evidence • Present ideas and arguments in a logical and effective way

V) Understanding Context - Evaluate the context of workplace issues, public policies, and management decisions

• Analyze a contemporary global issue in their field from a multi-disciplinary perspective • Analyze issues related to business strategies, organizational structures, and work systems • Analyze issues of social justice related to work across local and global contexts (LSER) • Analyze issues related to the selection, motivation, and development of talent in a global context (HRM)

<u>Skills:</u>

Students will become conversant with the major types of equity sharing, profit sharing, and gain sharing plans in existence, and their history, development, incidence, mechanisms, advantages and disadvantages for the performance and welfare of firms and employees.

Students will learn the legal and financial and practical issues involved in using such plans in corporations.

Students will study the major social science questions raised about shares including their role in society and the important research questions and sources of evidence on these practices studied by scholars.

Students will become familiar with several corporations, their stories and issues, along with the principal institutions dealing with shares in the United States: regulatory bodies, stock exchanges, associations of corporations, non-profit research organizations, corporate social responsibility institutions, and the principal research centers on shares in the U.S.

Students will develop a general understanding of the differences between the approaches to employee shares of several nations and geographic areas worldwide.

Students will hear brief reports from fellow students on several research articles in the field.

Students will be presented with a number of possible careers paths in this area of study.

Students do not require an understanding of economics or finance in order to take this course and any concepts from these disciplines necessary to understanding the material of the class will be explained clearly during the lectures.

END