

Visual Guides to ESOPs and Worker Cooperatives (Reading)

Review these simple visual guides, which describe how two primary forms of employee ownership work. You will learn more about these structures in week two.

1. Infographic: What Is an ESOP?

An employee stock ownership plan (ESOP) is an employee benefit plan that offers advantages to business owners, their companies, and their employees. This infographic highlights some of the key elements and benefits of an ESOP. (Note: The infographic describes the U.S. form of an ESOP.)

Link here: <https://www.esopinfo.org/infographics/pdf/What-Is-an-ESOP-infographic-2022.pdf>

Source: National Center for Employee Ownership

2. Infographic: How an ESOP Works: ESOP Nuts and Bolts

There are several ways through which employees can become the owners of their company, but the ESOP is the main source of employee ownership in the U.S. This is how it works. The illustration shows how an ESOP works in a typical case, where it is used to buy out the owner of a closely held company. (Note: The infographic describes the U.S. form of an ESOP.)

Link here: <https://www.esopinfo.org/how-esops-work/>

Source: National Center for Employee Ownership

3. A Brief Guide to Understanding Employee Ownership Structures

This resource uses diagrams to depict how different forms of employee ownership are structured. It focuses on the two primary vehicles for broad-based employee ownership in the United States: worker cooperatives and employee stock ownership plans.

Link here: <https://institute.coop/sites/default/files/resources/EOStructures.pdf>

Source: Camille Kerr (Democracy at Work Institute)

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