

The Democratic Practices of Purpose-Owned Companies
A Research Enhancement Program (REP) Proposal

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Proposal Description

Background

In 2022, the founder of Patagonia, a large US-based apparel company, put the company under the ownership of a purpose trust, a legal vehicle that requires the company to operate in pursuit not primarily of profit, but to protect the planet (Groff and Gary, 2023). At the same time, In the UK, the government has incentivized the use of a similar legal tool to incentivize the creation of employee ownership trusts, set to the purpose of benefiting employees (Pendleton and Robinson, 2023).

Both changes reflect a growing interest on the part of business owners, philanthropists, and policymakers in alternative or shared ownership, in which companies and real estate assets are owned by a trust for the benefit of stakeholders other than financial shareholders (Hand et al., 2025). The emergence of these new ownership forms raises new questions about governance. What happens politically and culturally when companies undergo such a dramatic shift in ownership? What structures and institutions do these companies set up to fulfill their purpose? How do they manage what management scholars call organizational hybridity, when an organization balances two or more competing purposes?

Contribution

This study will contribute to multiple fields of study across political science and management scholarship. In political science, the questions above are extensions of a long but now mostly dormant research tradition on industrial democracy (Albrecht, 1983) and economic democracy (Pateman 1975; Dahl 1985). In recent years, a small group of political scientists have begun to ask new questions about organizational and workplace democracy (Landemore and Ferreras, 2016; Ferreras et al., 2024; Mazumder and Yan, 2023). This scholarship is an extension of a broader inquiry into deliberative democracy and democratic micro-publics. What has gone unexplored so far is the relationship between the ownership structure of firms and the way they practice workplace democracy, which this study does in the context of purpose trusts, where we should expect to see these behaviors modelled.

What political scientists call workplace democracy or organizational democracy, management scholars have tended to call employee participation (Summers and Hyman, 2005), involvement (Wlkinson et al., 2010), or voice (Mowbray et al., 2015). And this literature has tended to be disconnected from another stream of transdisciplinary research on employee ownership and its effects on firms (Kruse et al., 2011; Blasi et al., 2013), though some trade books have explored how employee involvement is applied in firms with an employee stock ownership plan, or ESOP (Rosen, 2021).

This project will contribute to each of these scholarly conversations. For political scientists, this work will examine existing theories of economic democracy in an emerging organizational context and introduce political scientists to management scholarship on employee involvement, participation, and voice. For management scholars, it will similarly examine the expressions of these concepts in trust-owned firms. And for employee ownership scholars, it will lay out a research agenda for how existing work on two other forms of employee ownership (ESOPs and worker cooperatives) can be applied to a new alternative form of corporate ownership. This project will bridge these otherwise disconnected literatures, bringing to each novel insights and theories from the other.

Objectives

The aim of this study is to gain a deeper understanding of how companies make the decision to transition to purpose trust ownership and, more importantly, to explore how such companies operate and make decisions under this unique ownership structure. It will examine how leaders involve employees in decision-making within purpose trust-owned companies; the impact of employee involvement on company culture; post-transition governance and decision-making changes; and the outcomes for employees, firms, and their stakeholders.

Methods

This project will combine interviews, surveys, and fieldwork with the four dozen or so purpose-owned companies in the United States. Participants could include company owners, employees, and stakeholders. Through my previous research and nonprofit board memberships, I have met many of these owners and am one or two degrees removed from the others. The number of subjects (or subject records/data sets) projected to be enrolled in this study is estimated to be between 50 and 100 participants.

The primary output of this project will be a monograph exploring how purpose trust-owned companies navigate the tension between profit and purpose while embedding democratic practices within their governance structures. It will critically analyzing the broader implications of these practices for democratic theory, management, and alternative ownership models. Each chapter will address a central challenge or question, using case studies from purpose-owned companies. A potential outline of the book:

- I. Introduction: Purpose Trusts as a Testbed for Organizational Democracy
- II. The Succession: How Owners Involve Stakeholders in Corporate Transitions
- III. Balancing Purpose: How Owners Constitutionalize Purpose Trusts
- IV. Democracy in Practice: How Trust Ownership Leads to More Democratic Management
- V. The Ownership Mindset: How More Democratic Management Shapes Psychological Ownership
- VI. Ownership as Citizenship: How Democratic Practices in the Workplace Shape Civic Engagement
- VII. Democratic Disappointment: The Particular Challenges of Democratizing the Workplace
- VIII. Conclusion: Reimagining Workplace Democracy, Employee Involvement, and Organizational Politics

Significance

The book will primarily benefit scholars of democratic theory interested in micro-level democracy and economic democracy; employee ownership scholars; and scholars of corporate purpose and structure, including organizational hybridity. But the secondary audience for the book--the one that will shape its tone and level of accessibility--will be the owners and operators of employee-owned firms, trust-owned firms, and other purpose-drive firms. The third audience for this work will be a broader public interested in how they can support alternative forms of corporate ownership and decision-making.

I aim to present a management scholarship-oriented version of qualitative case study work at the Kelso Workshop in winter 2026 and target the *Journal of Participation and Employee Ownership* for publication. Once that is complete, I would like to use the same data to publish a paper in a political science journal, potentially *Perspectives on Politics*.

Timeline

Spring 2025: Finalize project design; Develop interview and survey instruments; Conduct preliminary literature review and establish connections with purpose trust-owned companies; Begin interviews and surveys with initial participants (10-15); Draft Chapters 1 and 2.

Summer 2025: Complete half of data collection; Draft Chapters 3 and 4; Analyze preliminary themes and share findings at a workshop for feedback. Apply for external funding to supplement REP grant; Hire a GRA for Fall 2025.

Fall 2025: Complete data collection; Draft Chapters 5 and 6; Present early findings at a conference or seminar; Compile case studies and begin drafting Chapters 7 (Challenges) and 8 (Conclusion).

Spring 2026: Finalize full first draft of the book manuscript; Submit a management-focused journal paper (*JPEO*); Prepare and submit the book proposal to publishers; Revise the manuscript based on early feedback and draft a political science paper (*Perspectives on Politics*).

Summer 2026: Submit the finalized book manuscript to publishers; Complete additional journal submissions; Develop practitioner materials based on research findings.

Fall 2026 and Beyond: Promote the book through academic and public channels; Host workshops or talks for practitioners and policymakers; Apply for external funding to expand research or start new projects

Potential for External Funding

I began reading and writing about employee ownership and other alternative forms of ownership in 2022. Since then, I have been able to raise roughly \$340,000 for my other research, for the [Texas Center for Employee Ownership](#) on which I serve as a board member, and for the [Purpose Trust Ownership Network](#), where I am a founding board member. This history gives me confidence I will be able to raise money for this new work, as well.

In the last two years is that major national foundations--including JPMorgan, Ford, and Prudential--are now interested in funding projects on shared ownership and employee ownership. I am confident this project will add value to the ecosystem emerging around those funding sources. In particular, the Ford Foundation has expressed interest in funding employee ownership research centers at state schools in non-coastal states, something I hope to build at UTA. The budget justification below includes a list of additional fundraising targets.

Disclosures

1. Dr. Hand has a potential research conflict of interest due to a financial interest with Mark Hand, LLC. A management plan has been created to preserve objectivity in research in accordance with UTA policy.
2. I have submitted and have had approved an IRB exemption for this study.

References

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- Landemore, Hélène, and Isabelle Ferreras. 2016. "In Defense of Workplace Democracy: Towards a Justification of the Firm–State Analogy." *Political Theory* 44 (1): 53–81.
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- Wilkinson, Adrian, Paul J. Gollan, Mick Marchington, and David Lewin. 2010. "Conceptualizing Employee Participation in Organizations." In *The Oxford Handbook of Participation in Organizations*, edited by Adrian Wilkinson, Paul J. Gollan, Mick Marchington, and David Lewin, 0. Oxford University Press.

Budget and Budget Justification

For this project, I am requesting **\$11,873.50** from the Research Enhancement Program. That money would pay for the following:

Summer Research Salary and Fringe (\$6,500). This summer salary coverage (plus fringe) will enable me to focus on this project in the Summer of 2025, during which I will scope out the project, complete a draft literature review, conduct exploratory interviews, and reach out to potential publishers.

Salary for Graduate Research Assistant (\$4873.50). I will hire a Graduate Research Assistant for the Fall 2025 Semester to begin outlining and drafting the book chapters. 20 hours per week at \$15.00 and hour over fifteen weeks is \$4,500, plus 8.3% fringe.

Capital research equipment, materials and supplies (\$500). This will allow for small potential costs, such as printing, software, office supplies, or cloud storage.

In addition, I will apply to other grantors for course buyouts, additional research assistants, and conference travel costs. That budget, given additional funding:

Item	Amount
Research Enhancement Program request	
2025 summer research salary + fringe	\$6500
Fall 2025 GRA + fringe	\$4873.50
Materials and supplies	\$500
Subtotal	\$11873.50
External funding request	
Fall 2025 course buyout	\$8000
Spring 2026 GRA	\$4873.50
Spring 2026 course buyout	\$8000
2026 summer research salary + fringe	\$6500
Conference travel	\$4500
Additional materials and supplies	\$1000
Subtotal	\$32873.50
Total	\$44,747.00

UTA Grant Proposal Specialist Maggie Hutchins-Wagner and I have identified these funders as additional targets:

- National Science Foundation and National Bureau of Economic Research
- US Economic Development Administration and Department of Labor
- APSA Growing Democracy Grants
- Kellogg Foundation
- Knight Foundation
- Arnold Foundation
- Sorenson Impact Foundation
- Surdna Foundation
- Springpoint Partners
- Berrgruen Institute
- Omidyar Foundation
- Phillips Foundation

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Education

2016 – 2021	Ph.D. , LBJ School of Public Affairs University of Texas at Austin	Austin, TX
2012 – 2013	MBA , Saïd Business School University of Oxford, New College	Oxford, UK
2002 – 2006	BA with Honors, Vanderbilt University	Nashville, TN

Recent Academic Employment

2023-Present	Assistant Professor , University of Texas at Arlington Conducting research on employee ownership, workplace democracy, policy entrepreneurship, rural policymaking, the narrative policy framework, and congressional campaigns Teaching Research Methods, Policy Entrepreneurship, Democratic Theory and Practice, Campaigns and Elections, and Data Analysis and Visualization Managing the Employee Ownership + Workplace Democracy, including overseeing student research writing at www.eowd.org Honors College appointment, Spring 2024	Arlington, TX
2022-2023	Visiting Lecturer , Southern Methodist University Conducted research on human capital in temporary organizations and employee-owned firms as a Kelso Fellow with the Rutgers Institute for Employee Ownership and Profit-Sharing Taught Introduction to American Government, Campaigns and Elections, and Public Policy Cofounded the Employee Ownership + Workplace Democracy Research Cluster	Dallas, TX

Publications and Working Papers

Bricolage and beyond: Bringing modern entrepreneurship theories to bear on policy entrepreneurship. With Colin Birkhead. *European Policy Analysis*, [2023](#).

Policy Narrators During Crisis: A Micro-Level Analysis of The Sourcing, Synthesizing, And Sharing of Policy Narratives in Rural Texas. With Megan Morris and Varun Rai. *Policy Studies Journal*, [2023](#).

Predicting Firm Growth in Rural Texas: A Multi-Method Machine Learning Approach to A Complex Policy Problem. With Vivek Shastry and Varun Rai. *PLOS ONE*, [2023](#).

Where Employee Ownership Works Best. With Colin Birkhead and Noah Gibson. *International Review of Applied Economics*, [2024](#).

Follow which leader? Spatial mimicry and broad-based equity- and profit-sharing plans. With Colin Birkhead. *Human Resource Management Journal*, [2024](#).

Purposeful Succession: How Owners Use Purpose Trusts to Lock in Legacy. Book chapter with Zoe Schlag and Simon Pek, for publication in *Innovative Ways to Transition Businesses*, Ed. Norm Walzer; accepted for publication.

Employee ownership. Chapter in *Elgin Encyclopaedia of Business and Government*. With Simon Pek and Lorin Busaan. Accepted for publication.

Policy Framing, Learning, and Change After Crisis: Lessons from the Texas Blackout. With Varun Rai. Revise and resubmit at *Energy Research and Social Systems*.

Evaluating Emerging Ownership Alternatives for Family Businesses. With Peter Boumgarden. Revise and resubmit at *Business Horizons*.

Steward Ownership as a Setting for Extending Research on Organizational Hybridity. With Simon Pek, Marya Besharov, et al. Submitted to the *Journal of Management Inquiry*.

The Devil You Know: Human Capital Selection in Temporary Organizations. With Sekou Bermis. In preparation.

Women's March to the Ballot: Gender in Democratic Primary Campaigns. With Advika Raj (SMU) and Corrina Sullivan (UTA). In preparation.

Recent Funding

2024	Sorenson Impact Foundation grant in collaboration with B Lab	\$250,000
2024	Teagle Foundation Knowledge for Freedom Planning Grant	\$25,000
2023	Visiting Fellowship, Skoll Centre at Oxford University	\$2,500
2023-2025	UT-Arlington Startup Funds	\$25,000
2022-2024	Schmidt Futures Research and Advocacy Grant	\$100,000
2022-2023	Research cluster grant from Southern Methodist University	\$4,000
2022-2023	Rutgers Institute for Employee Ownership Kelso Fellowship	\$15,000