The Athletic

NWSL sponsor ups Challenge Cup prize pool to \$1 million in pay equity effort

From the article "NWSL sponsor ups Challenge Cup prize pool to \$1 million in pay equity effort" by Steph Yang. © 2023 The Athletic Media Company. Used by permission of The Athletic Media Company.



By Steph Yang 3m ago

The NWSL Challenge Cup will look a little bit different for the 2023 season. It's not just moving to run concurrently with the regular season, it will also have a sharp increase in prize pool money that will be handed out to the four teams that make the semifinals, totaling a cool \$1 million. That's thanks to the NWSL's partnership with human resources, payroll and workforce management solutions company UKG.

UKG came onboard in May 2022 to sponsor the Challenge Cup. That year, Challenge Cup winners won \$10,000 per player, while the runnersup got \$5,000 per player and the semifinalists got \$1,500 per player. Even \$1,500 is a serious chunk of change considering the NWSL's 2022 minimum salary was \$35,000, rising to \$36,400 this year.

The sponsorship and \$1 million prize pool is yet another sign of the league's commitment to growth, alongside some quite rapid expansion that will take the league from 10 teams in 2021 to 14 teams in 2024, and perhaps 15 teams by 2025, assuming <u>a rumored expansion bid in</u> <u>Boston</u> goes according to plan.

UKG's chief people officer Pat Wadors told *The Athletic* that the company's commitment to sponsoring the Challenge Cup is part of their greater commitment to gender pay equity. They're already running a program called "<u>Close the Gap</u>" that pledges money to programs that fight for pay equity, such as Grantmakers for Girls of Color, Reboot Representation, Lean In, and 9 to 5. Sponsoring the Challenge Cup dovetails nicely with that part of UKG's mission.

"It's such a key influence, and it's going to grab eyeballs, it's going to grab attention, it's going to start conversations that may not have started," Wadors said, pointing out the fantastic <u>opening weekend</u> <u>NWSL attendance numbers</u>, with average attendance up nearly 50% over the previous year's opening weekend.

In particular, Wadors hopes people have conversations about gender pay equity.

"Change only happens if you both trigger my brain — understand there's a gap — and then my heart, that it's worthy of changing, (and) not paying fairly is wrong. It's a foundational wrong," she said.

Why \$1 million, aside from being a nice, big, round number? In wanting to use this opportunity to highlight the pay gap, UKG looked at publicly available data about what a comparable men's tournament like MLS is

Back awarded. In 2020, <u>the players in that tournament shared a \$1.1</u> <u>million prize pool</u>, although those prizes were shared all the way down through teams in the round of 16. So UKG stepped up their prize pool from 2022 to \$1 million or 2023.

The exact breakdown between how much prize money goes to the winners versus the other teams is still being finalized, but the ultimate goal is to bring the women's prize compensation in line with what men typically expect to get — for MLS is Back, that was \$300,000 for the winning team and \$150,000 for the runner-up. The NWSL and UKG have one more year left to run on their original partnership, which will go through 2024.

Wadors said this desire to bring pay equity into more public discussion is part of UKG's own internal culture. "Employees want to know that who they work for aligns to their personal values and purpose as well," she said. "When we talk about pay equity, that's one side of the equation, but the whole formula is about equity of opportunity in my book. And so from a business lens, I'm looking at all the components to make sure hey, is 'equitable' the outcome of the formula? If I make all these decisions, if I build the infrastructure, if I take care of my employees, if I train my managers, the output is fair pay, equitable pay?"

UKG is approaching fair pay from a holistic perspective, according to Wadors, where more money isn't just about being able to afford nicer things, but about being able to function within a daily financial ecosystem. They're looking at financial security through pay equity to enable foundational freedoms as simple as being able to feed your family, and recognizing that the sphere of people's financial responsibility isn't strictly defined by a nuclear family, either — many people, including NWSL players, are supporting parents, grandparents, siblings, extended relatives, or relatives in other countries.

"There's data that shows that if you're not earning a good wage — and women are the primary caregivers — if they are not feeding their family,

well, <u>then education suffers</u>, <u>opportunity suffers for them</u>. There's these whole concentric circles (from) impact of pay," Wadors said.

She also cited research about how <u>improving women's income can</u> <u>improve a country's GDP</u>.

"You improve women's income, you can change the world. I'm down for that," she said.

The move provides more information on how corporate sponsors see the NWSL, with a growing corporate perception of reciprocal value from getting onboard with women's sports. If you're a business that has consumers who respond to values-driven decisions, then the NWSL is a fantastic bet. Just look at the consumer data Angel City has been collecting, which indicates that <u>their fans tend to adopt brands</u> that sponsor the team. Or U.S. Soccer's research showing that <u>their fan base is increasingly multicultural</u>, diverse among many axes of identity, and that they find it important to bring these fans in for the long-term future.

"If you have great values and you have purpose, your impact on the world is greater, and that's what (the NWSL is) doing," said Wadors. "They're gonna create momentum because they have both the brains, the intellect, the data and the heart."

Mission statements are well and good, but the execution has to be there, too. Wadors said that the more granular elements of succeeding as a league while staying true to stated values like equality were there, enough to want to use the Challenge Cup as an entry point into sponsorship.

"What I've been seeing so far with the National Women's Soccer League is their intentionality of aligning themselves to partners that have similar values, interests, growth," Wadors said. "They're running it as a business. They're looking at the rigor and the cadence and the goals. They're very focused and they're purpose-driven. And they're not trying to be all things to all people. Any time you see an organization, public or private, trying to achieve too much without focus, without the rigor, that's really hard to partner with them."

Commissioner Jessica Berman has spoken before about being willing to walk away from sponsorship conversations if a company doesn't align with the NWSL's vision, or if it becomes apparent through negotiations that they may want to sponsor the league for reasons that are insincere or cynical — essentially, sportwashing by buying into a league with a progressive reputation relative to most other sports properties.

At the 2023 NWSL college draft, Berman said there were "a handful of conversations with brands that we've disengaged with on the basis of how they were showing up to the discussions, because we're not interested in simply balancing a portfolio. We're interested in partnering with brands that believe in the future of the league."

Wadors pointed to that discernment as an asset, not a limiting factor, and at the same time elucidated the benefit that UKG gets back from this deal.

"You're not going to get the impact (without being discerning). You need leverage," she said. "So if you're going to put a million dollars somewhere, you want to make sure that it has a return of greater than that million dollars, and the 'greater than' is awareness. It is the optimism. (The NWSL is) very future focused. They are leaning into the communities. It is the stories they tell, it is the energy that they're bringing into every game. Those things have a compounding effect, and because this is part of their DNA of care and aligns to who we are so deeply, what they're trying to achieve there, it's a great partnership."

Wadors understands that fans may look upon a values-driven partnership with cynicism, dismissing language around equity and fairness as disguising a purely profit-driven motive. But, she said she hopes that this deal at least gets people asking questions and thinking about pay equity, whatever else they might believe. "I want to shift conversations, like why not pay fairly?" she said. She went down the list of benefits of fair pay not just to the employee but to the employer, as well — perhaps unintentionally echoing the rallying call many players have put out, asking just how good they could be at their jobs if they didn't also have to carry the burdens of fighting for fairness as female athletes.

"If you're paying people fairly and if (I) feel respect, and I feel a sense of belonging and care in the workplace, I'm going to outperform, I'm going to give you discretionary effort, I'm going to do my best for my peers and my customers. Similarly, in any other industry and/or sport, if you are treating me fairly with respect and care, you will get the best out of me and my mental health will be better. So it de-stresses. Money is a stress. Caring for others is a big responsibility. And so you're addressing all those directly at a human level. And yeah, there's some commercialization around that, but the human level impact of this is what gets me up every morning."