Organizations that engage in practices supporting pay equity not only fulfill legal obligations, they are more likely to create a motivated and productive workforce. Leaders who consciously focus on pay equity can attract and retain the best and brightest staff. The following are eight proven practices that promote an equitable pay environment.

1. Be race conscious – understand that gender pay disparity widens when race is considered

2. Evaluate your compensation structure for internal equity

3. Detach financial compensation from performance review

4. Promote pay transparency

Steps you can take:

- Evaluate your hiring practices and wage scales for unconscious bias.
- Establish guidelines for wages and salaries based on the job not the person and ensure that those practices are consistently applied.
- Build in a process to identify bias before, during, and after the interview process. Understand that an applicant’s “fit” can be a sign of unconscious bias at work.
- Document a clear commitment to recruit and retain a diverse workforce.
- Design and advertise positions to attract a diverse audience.

Steps you can take:

- Review positions by comparing jobs with the same title or organizational level to determine if salaries are comparable across genders.
- Consider hiring a third party for this review to ensure professional transparency, rigor, and objective recommendations.
- Update the review as new jobs are added or pay adjustments occur.

Steps you can take:

- Establish a process to adjust wages and salaries based on a compensation review and scale.
- Clarify with staff that annual increases are not a given and that regular feedback and performance reviews are essential tools for setting compensation.
- Ensure that performance reviews focus on building skills, promote healthy dialogue about employee preferences, lead to job enrichment, and identify areas of growth.

Steps you can take:

- Publish pay ranges in job announcements.
- Don’t ask for an applicant’s pay history.
- Share total compensation not just the wage so all employees understand the full value of benefits and salary.

Source: Race to Lead Revisited: Obstacles and Opportunities in Addressing the Nonprofit Racial Leadership Gap

Organization budget by racial composition of organizational leadership

<table>
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<tr>
<th>Organization budget</th>
<th>White-run: Board/Leaders &gt; 75% white</th>
<th>All other compositions of Board/Leaders</th>
<th>POC-led: Board/Leaders &gt; 50% POC</th>
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Source: Race to Lead Revisited: Obstacles and Opportunities in Addressing the Nonprofit Racial Leadership Gap
PAY EQUITY IN ALASKA’S NONPROFIT SECTOR 2020

5 Create or enhance a family-friendly workplace

A mother’s wage plunges 4% per child, whereas a father’s wages increase as much as 8% per child. And, only 28% of women are in full-time work or self-employed three years after childbirth, compared to 90% of new fathers.

Steps you can take:

• Offer flexible hours, nursing/breast pumping rooms, baby-friendly workspaces, maternity and paternity leave, and holidays aligned to the school calendar.
• Ensure that a paid family leave program is part of the benefit package.

6 Evaluate board composition

Steps you can take:

• Hold candid and thoughtful conversations with board and staff to help convey that board diversity in gender, race, ability, and sexual orientation has an impact on achieving mission and on recruiting and retaining diverse employees. Help your board embrace the work that supports diversity while understanding their own implicit bias as nonprofit stewards.
  - Assess the composition of your board related to your mission, values, and goals using a board matrix
  - Engage the team in training for unconscious bias
  - Commit to and document a strategy for lasting change

7 Evaluate your staff development program

Men rate their performance 33% higher than equally performing women and engage in substantially more self promotion than women, positioning themselves for higher pay, promotions, and professional development opportunities.

Steps you can take:

• Ensure that all employees have opportunities for professional development or work on special projects that can lead to advancement.
• Focus on providing role models and mentoring as tools in workforce development.

8 Advocate for laws that support policies to end the pay gap

Steps you can take:

• Advocate for the passage of proposed legislation in Alaska that would end pay history questions in the hiring process.
• Advocate for raising the minimum wage and advancing the equal rights amendment.

Learn More  More resources for taking action

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