The Gender Pay Gap in Alaska's Nonprofit Sector

The Foraker Group is committed to providing the best available data on Alaska's nonprofit sector in ways that spur action. Join us to learn, engage, and close the gender pay gap.

Despite progress for women in the workplace, women still earn significantly less than men. The following data demonstrates the pervasiveness of the gender pay gap in Alaska, including within the state's nonprofit sector. Fair and equitable pay is the law in our country, and yet we have more work to do, both in and out of the nonprofit sector, to achieve pay equity.

ALL EMPLOYMENT



The average woman in Alaska earns 72 cents for every dollar earned by a man.

NONPROFIT EMPLOYMENT

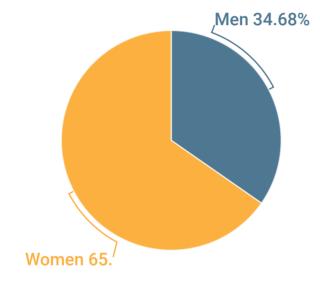


In Alaska's nonprofit sector, the average woman earns 79 cents on the dollar compared to male nonprofit workers.

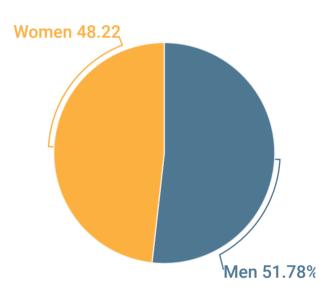
Source: Alaska Department of Labor and Workforce Development, custom aggregation, 2017 data.

The Majority of Alaska Nonprofit Employees are Women





ALL ALASKA EMPLOYMENT



10:07:36
HOURS MINUTES SECONDS

A woman would need to work 10+ hour days to make the same amount of money as a man in the same Alaska nonprofit job.

Source: CED calculations



In Alaska, Equal Pay Day - how far into the next year women must work to earn what men earned in the previous year - was May 22, 2020.

National Equal Pay Day was March 31, 2020.

Source: <u>Harvard Business Review</u>

257 YEARS

won't disappear until the year 2277.

Source: CED calculations

At the current rate of change, the gender pay gap in Alaska

The Alaska Department of Labor and Workforce Development created a custom dataset by

Where does this data come from?

matching official employment and wage numbers reported monthly to the state with

Permanent Fund Dividend applications, which indicate gender. It provides a level of detail
otherwise unavailable in any other state. Unfortunately, only binary gender selections are
available from these sources. The Foraker Group, the UA Center for Economic

Development, and the Alaska Department of Labor and Workforce Development worked
together to create this report.

The Gender Wage Gap is Real

ALASKA NONPROFIT AVERAGE WAGE

ALL ALASKA EMPLOYERS AVERAGE WAGE

Men → \$47,285 \$48,964 ← Men

Women → \$37,455 \$35,163 ← Women

Difference → \$9,830 \$13,831 ← Difference

Source: Alaska Department of Labor and Workforce Development, custom aggregation, 2017 data.

-\$530,000 -\$800,000

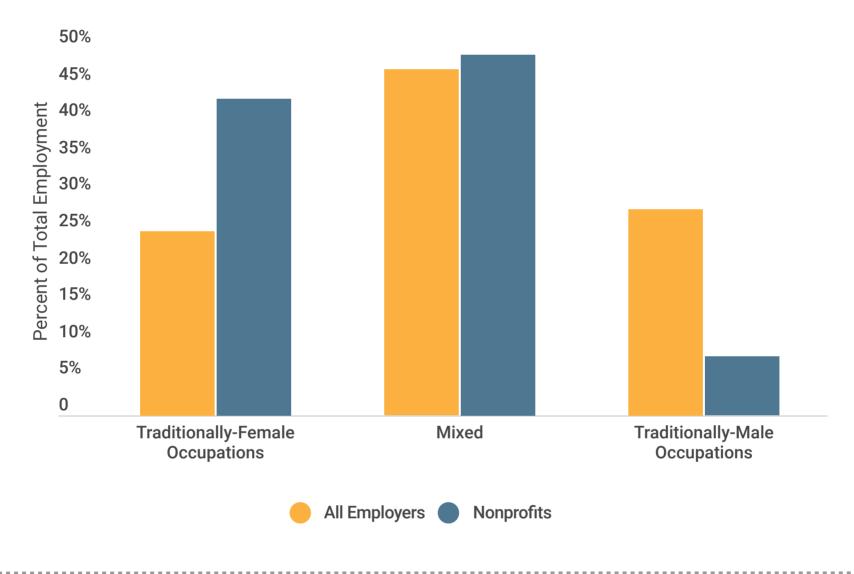
The average woman worker loses more than \$530,000 over the course of her lifetime because of the gender wage gap.

Source: Economic Policy Institute via IWPR 2016

The average college-educated woman worker loses nearly \$800,000 over the course of her lifetime because of the gender wage gap.

Traditionally-Male Occupations are Less Common in Nonprofits

Occupations are considered to be traditionally-male or traditionally-female if one gender constitutes 75% or more of the employment. While employment in Alaska is evenly split between the two gendered categories, nonprofits employ fewer individuals in traditionally-male occupations.



Top 10 Most Common Occupations in Alaska

It is difficult to control for occupational differences, but it is clear that even

when we examine specific occupations across the spectrum, comparing wages, gender mix, and formal education, the gender wage gap persists.

Nonprofit Sector (Excluding Medical)

All Employers

Occupation	Average Women's Earnings	Average Men's Earnings	Ratio
Office and Administrative Support Workers	\$22,884	\$14,095	162%
Secretaries and Administrative Assistants	\$30,742	\$24,418	126%
Office Clerks, General	\$26,905	\$18,121	148%
Childcare Workers	\$15,086	\$12,755	118%
Executive Secretaries and Admin Assistants	\$40,788	\$29,861	137%
General and Operations Managers	\$61,923	\$76,421	81%
Community and Social Service Specialists	\$32,801	\$40,404	81%
Supervisors of Office and Admin Support	\$42,457	\$42,528	100%
Chief Executives	\$85,944	\$123,820	69%
Financial Clerks	\$11,876	\$9,493	125%

A common argument for the existence of the gender wage gap is that individuals fulfill different roles at different levels within industries and are paid

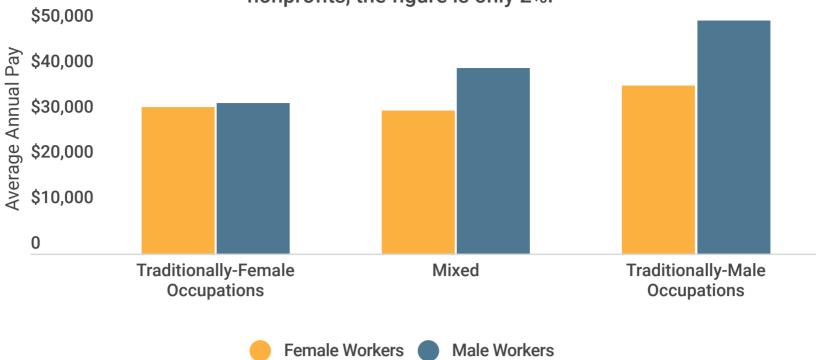
accordingly. Comparing individuals within occupations gets a closer

comparison and shows that significant wage gaps still exist.

PAY EQUITY IN ALASKA'S NONPROFIT SECTOR 2020

Traditionally-Female Occupations Pay Less

The gender pay gap is smaller within traditionally-female occupations, but traditionally-male occupations pay higher wages. Only 6% of Alaska's female workers are employed in traditionally-male occupations. For nonprofits, the figure is only 2%.



Large Nonprofits Pay More, but the Pay Gap is Larger

The earnings gap between men and women is smallest at nonprofits with fewer than 10 employees. However, average wages grow as organizations get bigger, and the pay gap grows with these increased earnings.



Pay Gaps in Nonprofit Management Positions

Women make up the majority of the management positions at Alaska's nonprofits, with the exception of computer and information systems managers. Aside from public relations and fundraising managers, the average woman occupying these roles earns significantly less than her male equivalents.

Occupation	Earnings	Earnings	Ratio
General and Operations Managers	\$61,923	\$76,421	81%
Chief Executives	\$85,944	\$123,820	69%
Administrative Services Managers	\$43,152	\$58,155	74%
Social and Community Service Managers	\$49,508	\$53,509	93%
Financial Managers	\$78,950	\$113,648	69%
Medical and Health Services Managers	\$87,047	\$133,043	65%
Public Relations and Fundraising Managers	\$63,701	\$61,911	103%
Computer and Information Systems Managers	\$68,694	\$88,302	78%
Human Resources Managers	\$76,458	\$97,319	79%

Definitions



Pay Equity

within organizations.

Pay equity is achieved when all people regardless of gender receive equal pay for work of equal or comparable value. This means that people of different genders performing the same role at the same performance standard are paid the same amount. It also means that



people of different genders performing different work of equal or comparable value are paid equitably. **Gender Pay Gap** The gender pay gap is the difference in earnings between people of different genders. While the phrase 'gender pay gap' is commonly used

to refer to the difference between women's and men's earnings on a

calculated in other ways: across an industry or occupation type, and

national level (i.e. the national gender pay gap), gender pay gaps can be

Source: businessdictionary.com

Take Action Today to End the Gender Pay Gap

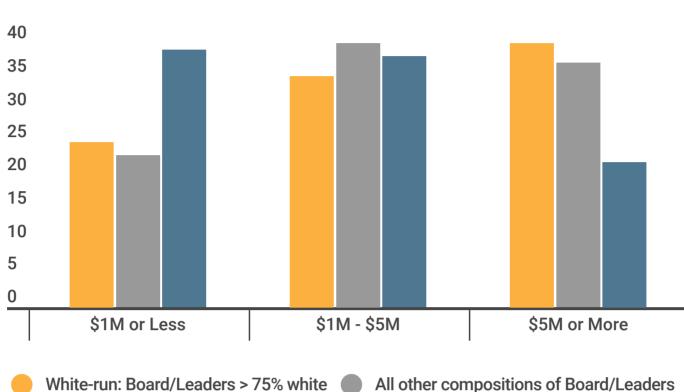
Organizations that engage in practices supporting pay equity not only fulfill legal obligations, they are more likely to create a motivated and productive workforce. Leaders who consciously focus on pay equity can attract and retain the best and brightest staff.

The following are eight proven practices that promote an equitable pay environment.



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





POC-led: Board/Leaders > 50% POC

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

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 work force.
- Design and advertise positions to attract a diverse audience.



Evaluate your compensation structure for internal equity

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.



Detach financial compensation from performance review

- 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.



Promote pay transparency

- 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.



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.

Source: EconLife 2018

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.



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



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.

Source: <u>Harvard Business Review 2019</u>

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.



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 Word



More resources for taking action

Thank you to:







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