

The Gender Pay Gap – Ways You Can Take Action Today

Turning data into information into action is where the real work begins for each of our organizations. If we want to achieve the change we seek in the world, then we must understand what science and facts say about an issue and how we can put that information to its best and highest use. We hope you will join Foraker in seeking lasting change in our sector on issues of diversity and equity. Each of our teams is starting in a different place on this journey. While we might not see our ultimate goals achieved while we are on the board or staff of a particular organization, we can all stay devoted to raising the questions and looking for solutions. Below is a list of generative questions to get the conversation started or to reignite the discussion from where you left off. Generative discussions focus more on sense making, values propositions, and the "why" far more than the "what" or the "how." When you are ready, the "what" and the "how" are waiting for you to make necessary changes. Take a step with your team or ask us for support. We are ready to walk with you in this journey.

Generative Questions to promote discussion and action within the team

Note that these questions can be used sany time you are tackling the issue of hiring or pay in your organization.

- Why is understanding gender pay an essential part of your mission effectiveness?
- Why do you think there is a conscious or unconscious bias that women are better suited for nonprofit jobs? How do you see this bias play out in the sector or in your hiring process?
- Why do the compounding factors of race and age matter in this discussion, understanding, and action?
- Why is mission better served through actions on pay equity in the sector?
- Why is it important that the board, not just the staff, understand issues of gender equity?
- How does perpetuating the notion of "traditional roles" sustain the cycle of specific genders gravitating to those same roles?
- How does the size of the organization help or hurt pay transparency?
- How does the salary and benefits tool(s) you are using recognize the pay scale imbalance by posting pay ranges or at least more than the median? What does that mean for your decision-making?
- How are you adjusting your practices and pay scale for gender inequity?
- How is the board engaging in a discussion on pay inequity before setting the CEO pay scale?
- How are you adjusting your employee benefits to create an inclusive environment?

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Eight Proven Practices That Promote an Equitable Pay Environment

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. Below are ways your organization can take action.

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

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.

2. 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.

3. Detach financial compensation from performance review

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.

4. Promote pay transparency

Steps you can take:

- Publish pay ranges in job announcements.
- Don't ask for an applicant's pay history.

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 Share total compensation not just the wage so all employees understand the full value of benefits and salary.

5. Create or enhance a family-friendly workplace

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
 - o Engage the team in training for unconscious bias
 - Commit to and document a strategy for lasting change

7. Evaluate your staff development program

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.

For more information see our report Pay Equity in Alaska's Nonprofit Sector 2020.

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Want more information? Check this list to get started.

Get up to date with the latest gender pay gap information for Alaska:

 Alaska Economic Trends. The Gender Gap by Karinne Wiebold, Alaska Economic Trends, Sept. 2019.

Gender pay and the intersection of race:

- <u>Trading Glass Ceilings for Glass Cliffs: A Race to Lead Report on Nonprofit Executives of Color</u> from the *Building Movements Project 2022*.
- Race to Lead Revisited from the Building Movements Project 2020.
- Nonprofits So White: New Report on Lack of Inclusion Offers Strategies, Michele Weldon from the Take the Lead blog, June 22, 2020.
- 2019 Nonprofit Diversity Practices Report from Nonprofit HR.
- How to Tackle Race at Your Organization as told to Eden Stiffman in The Chronicle of Philanthropy, June 30, 2020.
- <u>Failure Is Not an Option: How Nonprofit Boards Can Support Leaders of Color</u>, Idalia
 Fernandez, Monisha Kapila, and Angela Romans, *Nonprofit Quarterly*, June 19, 2020.
- <u>The Gender Pay Gap: 2018; Earnings Differences by Gender, Race and Ethnicity, Ariane</u> Hegewisch and Adiam Tesfaselassie, Institute for Women's Policy Research, Sept. 11, 2019.
- Wage Gap for Mothers by Race, State by State, National Women's Law Center, Nov. 2016.

Gender Pay Gap and the Impacts of COVID

- How Coronavirus Could Widen the Gender Wage Gap, Danielle Kurtzleben on Weekend Edition Sunday on National Public Radio, June 28, 2020.
- Covid-19 Crisis Could Set Women Back Decades, Experts Fear, Alexandra Topping, The Guardian, May 29, 2020.
- Coronavirus and The Gender Pay Gap: An Excuse to Avoid Uncomfortable Facts, Josie Cox, Forbes, April 18, 2020.

Gender pay next steps:

- Eight Steps Economists Say Could Help Close the Gender Pay Gap, Abigail Hess, Make It on CNBC, May 9, 2019.
- <u>State Policy Strategies for Narrowing the Gender Wage Gap</u>, Erin Coghlan and Sara Hinkley, Institute for Research on Labor and Employment, UC Berkeley, April 10, 2018.
- What HR Can Do to Fix the Gender Pay Gap, Deborah Ashton, Harvard Business Review, Dec. 2, 2014.
- <u>Pay Equity Best Practices Guidelines</u>, Sonja Erickson. Institute of Public Policy, Harry S.
 Truman School of Public Affairs, University of Missouri, for the Women's Foundation.

Pay Transparency:

 Addressing the Gender Wage Gap and Pay Transparency, Lisa Nagele-Piazza, Society for Human Resource Management, March 15, 2017.