

Balancing the Scales

5 STRATEGIES FOR CLOSING THE GENDER WAGE GAP



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Introduction

In 2015, *The New York Times* published data showing that fewer large organizations are led by women than by men named John. In 2023, a follow-up article revealed that women CEOs finally outnumber the Johns.¹ Women currently hold 41 CEO positions among S&P 500 organizations. (In probably unrelated news, the prevalence of the name John has dropped by 50% over the last 20 years.)

This is a statistic that's humorous in its ridiculousness. Because the underlying truth is that that the number of women holding executive leadership positions is amazing progress, but it is not success.

Today the gender wage gap, when controlling for factors such as job title, level, and industry, is 99 cents (for women) to one dollar (for men). This difference may seem so negligible that some might wonder why we don't call it a victory and move on. Why do there continue to be initiatives, such as 100 Companies Championing Women, ElevateHER, and A Bolder Way Forward, that focus on supporting women and closing the gender wage gap?

To stop now, at that one cent, would be to say that women are worth anything less than men. This is not true. 99% is progress, but it is not success. Success is 100% equity.

The purpose of this guide is to provide your organization with best-practice strategies for closing the gender wage gap. Taking these steps will not only benefit women but will also uplift all employees, their families, and the economy. We hope that you will use this guide as a practical tool to take meaningful action, and we appreciate your commitment to a 100% equitable future.

Beca Mark
CEO & Founder
Megastar HR



It's not just about **equal pay**, but **equal opportunity**.

What is the Gender Wage Gap?

The gender wage gap is the difference between what women are paid and what men are paid.

Researchers have compared wages for full-time and part-time workers, across various periods of time, geographical area, industry and occupation, protected characteristics (race, age, etc.), and education level. These studies consistently find that women are paid less than men.²

The Opportunity Wage Gap

83 cents for every \$1

Data published by the Department of Labor in 2023 show that women make 83 cents for every dollar men earn. This comparison may seem small, but it adds up to a \$10,000 difference annually.³

The Opportunity Wage Gap indicates that women tend to occupy lower-paying jobs, work fewer hours, and have fewer positions of power.

The Controlled Wage Gap

99 cents for every \$1

When accounting for factors such as same job title, education, experience, industry, job level, and hours worked, the gap narrows to 99 cents.⁴ While one cent seems negligible, it compounds over a lifetime.

The Controlled Wage Gap indicates unconscious bias and discrimination still play a role.

Causes of the Gender Wage Gap

The causes and consequences of the gender wage gap go beyond the paycheck.

Occupational Segregation:

Women often work in lower-paying fields like education and healthcare, whereas men dominate higher-paying fields like engineering and finance.

Work Experience: Men often have more continuous work experience, whereas women may have interruptions due to caregiving responsibilities. This lack of continuous experience can hinder women's career advancement and earning potential.

Negotiation Skills: Studies have shown that women are less likely to negotiate salaries compared to men. This could stem from social expectations or fear of backlash, leading to women accepting lower initial offers.

Part-Time Work: Women are more likely to work part-time, often due to family or caregiving responsibilities. Part-time work generally pays less, both in wages and in benefits, which contributes to the overall gender wage gap.

The Motherhood Penalty:

Women are more often primary caregivers, leading to less time in the workforce, fewer opportunities for promotion, and therefore lower lifetime earnings.

Bias and Discrimination: Both unconscious biases and overt discrimination can affect hiring, promotions, and pay. This can manifest in ways that undervalue the work women do or create barriers to their advancement in the workplace.

Organization Policies and Culture:

Culture: Some organizations may have policies or a culture that inadvertently favors men, such as performance evaluations that reward behaviors more commonly exhibited by men, or lack of support for work-life balance that particularly affects women.

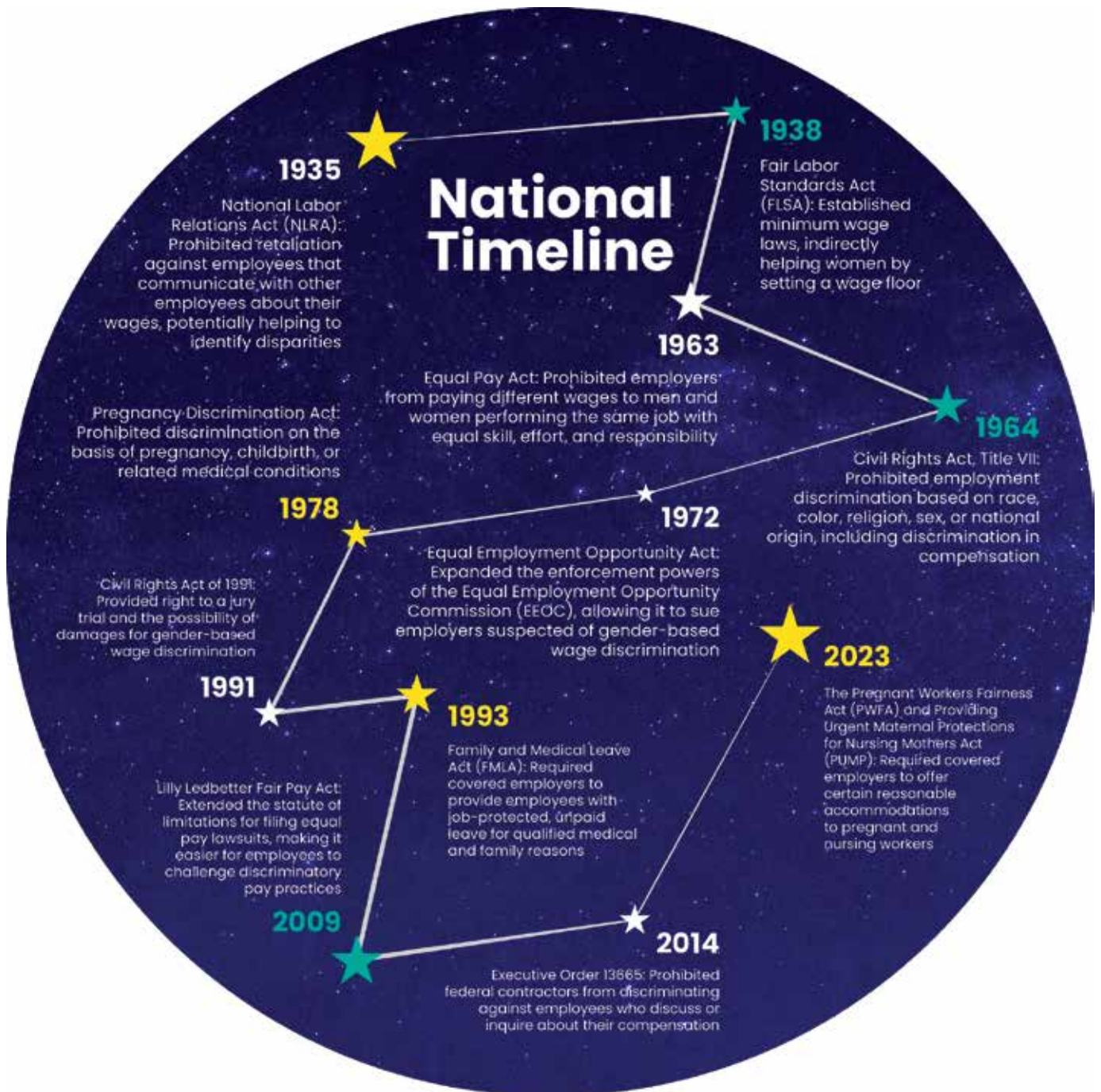
Social and Cultural Norms:

Deeply ingrained societal norms and expectations around gender roles can influence career choices, negotiation behavior, and employer attitudes. These cultural factors often indirectly contribute to the wage gap by shaping the behavior and opportunities of both employers and employees.



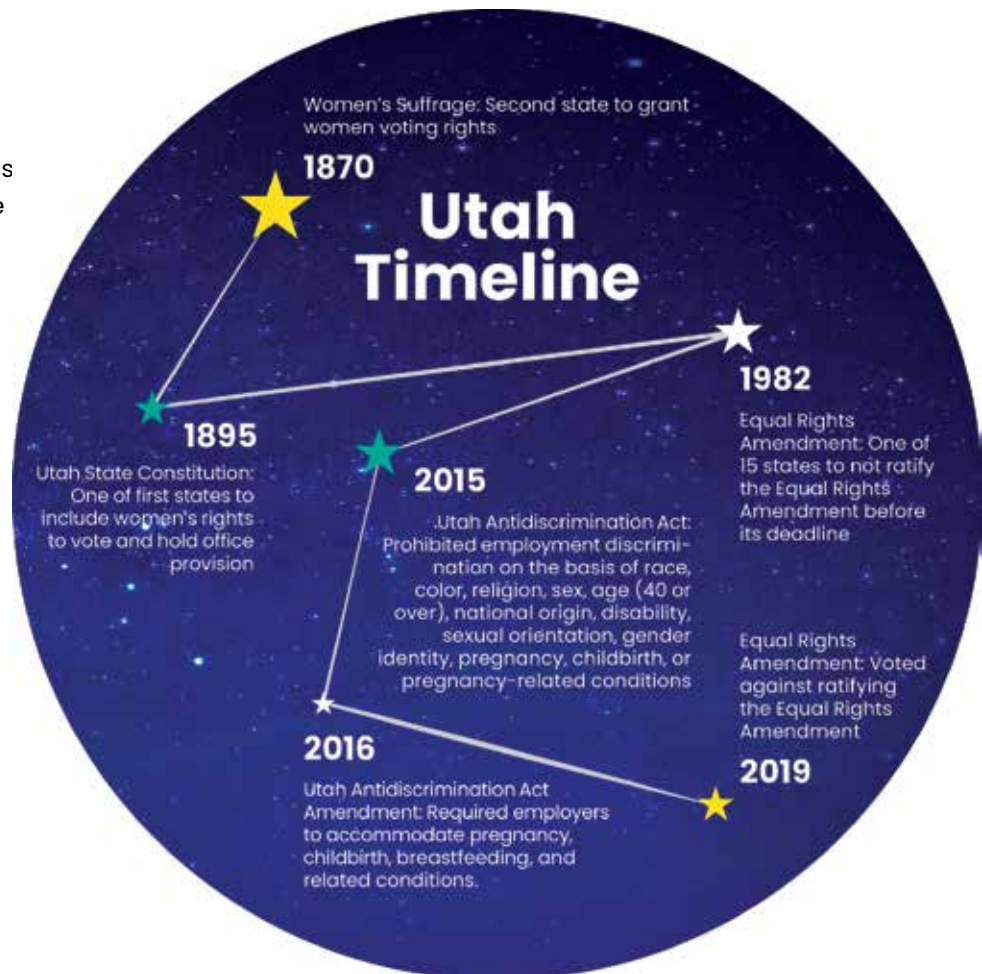
The State of Gender Wage Equity

While significant progress has been made to close the U.S. gender wage gap, it has remained mostly stagnant over the past 20 years. In 2023, women earned 83% of what men earned,⁵ similar to where the wage gap stood in 2002, when women earned 80% as much as men.⁶



Utah

Utah commendably has the highest percentage of self-employed women in the U.S. (52.7% of the self-employed workforce),⁷ However, it has the third largest wage gap in the nation, with men making about 37% more than women.⁸



Intersectionality

Discussions about the wage gap are incomplete without intersectionality. The wage gap widens substantially when factoring in other types of discrimination. Even when compared to men of the same race, age, ability, and parenthood, women earn lower pay.⁹

Race: White women make 83 cents, Black women make 64 cents, Native American women

make 60 cents, Latinas make 57 cents, and AAPI women make between 52 to 90 cents for every dollar earned by men.

- Age: Women ages 45–64 earn 76 cents compared to men of the same age.
- Disability: Women with disabilities earn 80 cents compared to men with disabilities.

Motherhood: Mothers are

typically paid 70 cents compared to every dollar fathers earn.

- In Utah, data show an even starker contrast, with Latina Utahns paid 49 cents, Black women 51 cents, indigenous women 52 to 55 cents, Asian women 66 cents, and white women 68 cents for every dollar earned by white men.¹⁰

Myths About the Wage Gap

Myth 1: Women’s occupational choices are responsible for the gender wage gap.

Skeptics of the gender wage gap often cite that women choose lower-paying occupations than men do. However, this argument overlooks the underlying societal norms and biases that unfairly value “men’s work” more. While it is true that men and women tend to work in different jobs, known as occupational segregation, difference in pay persists even when the jobs require the same level of education and skill.

For example, full-time parking lot attendants (usually men) are paid more to watch cars than full-time child-care workers (usually women) are paid to care for children. This is true even though child-care workers are increasingly being pushed to earn a college credential, and women are more likely to earn a higher education degree. Overall, women must complete one additional degree in order to be paid the same wages as a man with less education.¹¹

Researchers reviewing data from 1950 to 2000 found that, when the dominant gender in an occupation changes over time, compensation shifts as well. Pay drops when women enter an occupation, even for the men in that occupation, and increases when men enter

an occupation, even for the women in that occupation. The difference between higher- and lower-paying jobs is partly because of skill or education requirements and other factors, but also partly because our society values men’s and women’s work differently solely based on gender. Women can’t entirely avoid that societal bias by choosing a career in an occupation that is higher paying or male dominated.

In fact, even in the same occupation, women still earn less than men. A review of 125 occupations showed that men earned more than women in all but 12.¹² Even in 19 of the 20 occupations where women are most represented (e.g., nursing), they still earn less than men.¹³

The path women choose in their careers is not solely a matter of preference; discrimination plays a role in shaping these choices. For example, a 2008 study found that 52% of women in STEM quit their jobs by midcareer, citing feelings of isolation, unsupportive work environments, unclear rules about advancement and success, and extreme work schedules as the key reasons for leaving.¹⁴

Other women leave the

workforce due to the “motherhood penalty.” These women are often pushed out of the workforce because of insufficient paid leave policies and challenges upon returning to work. Because societal expectations often place the responsibility of childcare on women, many mothers must choose between their career and their family.



Myth 2: Women earn less because they ask for less.

Another argument is that women earn less because they have poor pay negotiation skills, and that if they asked for higher pay, they would get it. However, studies show that women who negotiate for higher pay are more negatively appraised than men.¹⁵ One study found that people significantly perceived women as less nice and more demanding than men when they asked for higher pay. A separate study

found that women were 8% more likely than men to be told there was a budgetary constraint underlying the decisions. It also found that women of color were 19% less likely than white men to secure a raise when negotiating.¹⁶ These outcomes suggest that implicit bias plays a role — one that should not be excused even if a woman does not have strong negotiation skills.

Myth 3: Discrimination no longer influences wages.

Due to the increasing number of organizations declaring their commitment to non-discrimination, some may falsely assume that discrimination no longer plays a role in the gender wage gap. However, as evidenced by Myths 2 and 3, biases still influence the job opportunities that women receive. Even accounting for the effects of all other measurable factors (e.g., job tenure, education level, work experience), there is still an unexplained wage gap that researchers believe is partially due to discrimination. Such discrimination is not always blatant, and may be a result of unintentional bias embedded in societal norms and organization policies and practices. Because discrimination is difficult to measure, researchers have not settled on the extent it influences compensation, but research shows that it is higher for women of color.¹⁷



How Wage Equity Benefits Everyone

As of August 2023, eight states have enacted pay transparency laws, typically requiring employers to share pay ranges on job postings and upon request. These laws are an important step for making employees aware of wage disparities and keeping organizations accountable. In fact, 62% of organizations conducted a compensation analysis in 2023 compared to 54% in 2022.⁴ New state pay transparency laws are triggering a change, but there's more at stake than just legal penalties and more to gain than compliance alone.

What's at Stake

Retention: Upon learning of a wage gap at their company, 32% of women surveyed began looking for a new job.¹⁸ Given the cost of turnover is 30 to 200% of an employee's pay, a wage gap is an expensive risk.¹⁹

Wealth: Research suggests that women lose more than \$400,000 over a 40-year career due to the wage gap. For black women and Latinas, these lifetime earning losses can equal \$946,120 and \$1,135,440, respectively.²⁰

Retirement: The loss of lifetime earnings means fewer savings going into retirement and fewer returns on Social Security. In terms of overall retirement income, women have only 70% of what men do.²

Family and Economy: 2021 data showed that 40% of women were their families' primary breadwinner.²¹ Lost wages mean mothers have less money to support their families now and to save and invest

for their futures, perpetuating cycles of poverty and worsening the economy.

What's to Gain

There's still a ways to go for federal and state legislation, but you don't have to wait for a new law to take action. There are several reasons to shift towards more equitable policies and practices now.

Here are the top three reasons organizations are committing to wage equity:⁴

1. **Proactive talent strategy:** Workers are more likely to choose organizations with worker-friendly policies and practices over competitors still doing the bare minimum.
2. **Central to the organization's values:** Organizations that value DEI recognize that wage equity aligns with their broader mission and contributes to a more secure, trusting culture. They also aim to meet the

expectations and values of customers, clients, and stakeholders.

3. **Legislative compliance:** Proactively or reactively, organizations are conducting wage audits, addressing disparities, and establishing equitable policies to comply with federal, state, and local regulations.

Lack of pay transparency, inconsistent wages, inflexible schedules, and poor work-life balance negatively affect all employees, regardless of gender. Whereas policies and practices that support women positively impact all employees, extending from the workforce to healthy families to strong economies. Initiatives that are women friendly are worker friendly.



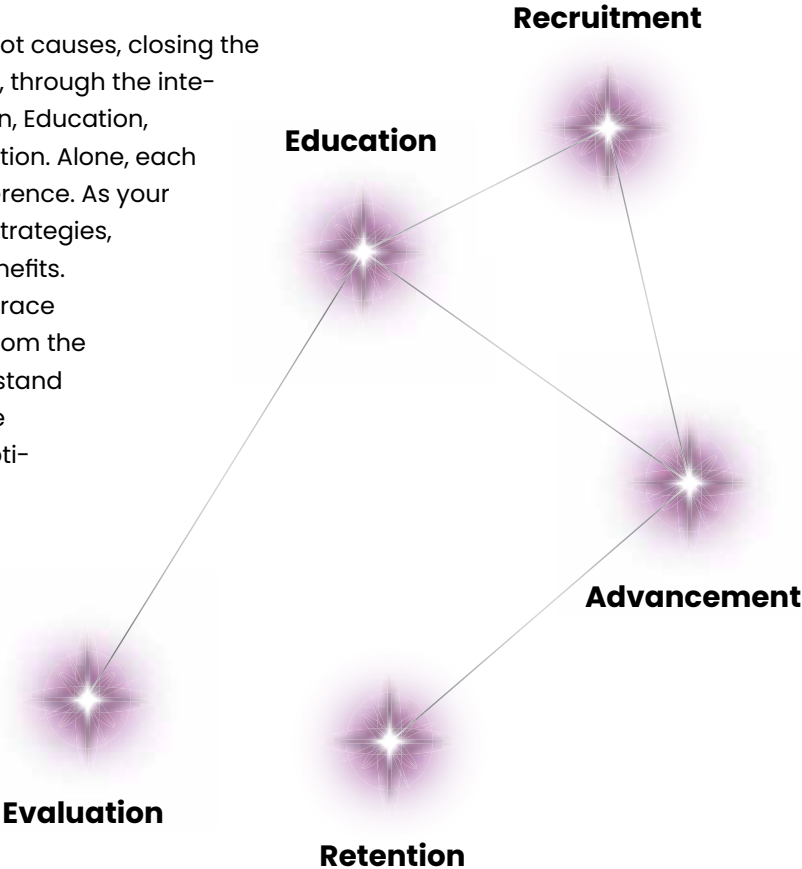


Women-friendly workplaces are worker-friendly workplaces

Gender Wage Equity Strategies

Because the wage gap has multiple root causes, closing the gap requires a multifaceted approach, through the integration of five key strategies: Evaluation, Education, Recruitment, Advancement, and Retention. Alone, each strategy will make a considerable difference. As your organization continues to implement strategies, you will begin to see compounding benefits.

For employees to accept and embrace these initiatives, you will need buy-in from the top. Leaders at every level must understand the need for wage equity, demonstrate their commitment to it, and express optimism that it can be achieved. Sharing some of the facts and statistics from this guide can help illuminate the problem on a general scale. However, a proposal showcasing factors such as turnover rate and engagement within your organization can help make the need more relevant and urgent.



Strategy #1: Evaluation

Closing your organization's gender wage gap starts with acknowledging the gap exists. The WAGES Strategy, which stands for Why, Action Plan, Gauge, Execute, and Share, offers a systematic approach to identify and address disparities in compensation.

WAGES

Internal Equity Analysis Strategy



Why

The first stage of the WAGES Strategy involves determining why your organization wants to conduct a compensation analysis. Articulating clear objectives and benefits is crucial for gaining buy-in from executives and stakeholders who are hesitant about bringing potential pay disparities to light.

The proposal should include expected outcomes and return on investment, the level of pay transparency leadership is comfortable with, and insights on additional benefits or challenges of pursuing this initiative.



Action Plan

In the Action Plan stage, you will flesh out the project scope and establish a timeline. This involves selecting your project team, which may

include internal stakeholders such as a payroll administrator or finance specialist, and deciding whether to partner with a consulting firm, based on expertise and bandwidth, to conduct a neutral, third-party evaluation.

Gathering comprehensive information about each position and employee is essential. This includes job descriptions, departments, job levels, pay, location, tenure, years of experience, education level, training, certifications, performance evaluations, and demographic data such as race, gender, age, and disability (EEO-1 data).

If evaluating a position that does not exist elsewhere in the organization, it may be helpful to benchmark the employee's pay against market compensation. Sources may include industry salary surveys, or data bases such as LaborIQ, Comp Analyst, ERI, or Salary.com. If you prefer to use free sources,

such as Glassdoor or Indeed, compare multiple sources for accuracy. Or you can outsource this process to a consulting firm, which would have its own data source and compensation experts.



Gauge

The Gauge stage focuses on measuring internal pay equity and reporting results to stakeholders. This involves comparing an employee's pay with others in the same or similar positions across the organization. To make this step easier, simply input your employees' data into Megastar HR's Gender Wage Gap Calculator at megastarhr.com/resources. The calculator will display how much women make compared to men within your organization, based on categories such as department and job title.

Justifications for any significant pay discrepancies should be based on factors such as tenure, experience, and performance level, not on factors like race or gender.

Examine how much men and women are rewarded for various factors influencing pay (e.g., education level) and rank employees based on how much they are underpaid relative to these factors.



Execute

In the Execute stage, solidify your organization's pay structure based on the findings.

Every employee's pay should be subject to the same criteria, within a structure designed to minimize bias and facilitate internal equity. Defined pay bands help accomplish this.

Pay bands are pay ranges established by organizations for position "families" and roles within these families. Pay bands provide a framework within which consistent and equitable pay decisions are more likely to be made across an organization. Generally, the more defined and transparent pay bands are, the better an organization ultimately attracts, motivates, and retains top talent because leaders and employees have a clearer understanding of equitable promotion paths and performance expectations.

Pay-band steps are customarily structured based on levels graded for experience, education, and performance so

pay band ranges represent the increasing value an employee can provide an organization. Pay bands incorporate comparable market compensation, but also heavily weigh internal compensation to reflect the value provided to the specific organization.

Pay banding makes individual pay decisions simpler and more equitable because leaders can identify where a position falls within the pay structure, and know what to assign for a corresponding salary.

Regarding pay adjustments, if an employee's pay falls outside of their pay band, there are a few ways to correct this:

If they're **above** the pay band, you might choose to freeze their pay, or rather than give a raise, award a bonus for high performance. Another option is to provide developmental opportunities to promote the employee up to the next pay band.

If an employee is **below** the pay band, your best option is to give them a pay increase. If the employee's performance hasn't been meeting acceptable standards, you might require the employee to complete a performance improvement plan in order to earn their raise.

Set a budget and then allocate raises starting with employees with the widest gap for the same work. If you can't afford to close the gap immediately, applying the analysis over several years can close it over time, as well as keep it closed.¹⁹

However, the longer you wait, the more risk of a wage discrimination claim. In 2020, there were over 65,000 charges of workplace discrimination, and the EEOC secured \$440 million for these claimants.²²



Share

The final stage of the WAGES Strategy, Share, is to prepare and roll out a communication plan. To avoid unintended consequences of pay transparency, leaders should be trained to have pay equity conversations with their team members. They should be able to explain how your organization makes pay decisions based on objective criteria (pay bands) that apply to everyone. Total Rewards Statements can be offered to help employees understand the value your organization invests in them beyond base pay.

Once the employee understands the rationale for their current pay, leaders can direct the discussion towards future growth opportunities (such as training, promotions, or bonuses). Leaders should work with their team members to maximize growth through individualized development plans. Refer to Strategy #4, Advancement, for additional guidance.

By approaching your compensation analysis in an intentional, strategic way, you can be part of bridging the gap between the leader's need for engagement and retention and the employee's need for equity and transparency.

Strategy #2: Education

Gender diversity training is a long-term investment to closing the gender wage gap. It should focus on systemic and sustainable change rather than just a “check-the-box” or performative exercise.

Design a comprehensive training program that addresses various aspects of gender diversity, including unconscious biases, respectful conduct, and inclusive leadership. These trainings can help employees understand how different identities influence how they interact with the world, and how they can also alter those interactions to be more inclusive.²³

Bias training in particular can help employees recognize when unfair beliefs and assumptions affect how they interact with and treat others. Training is most useful in decreasing bias if done before hiring and promotion decisions are made, such as just before periodic evaluations. It is important that training goes beyond awareness to include specific strategies for recognizing one’s own bias, how to combat it, and how to measure progress.

Involve various stakeholders, including employees from different departments, gender identity groups, and HR professionals, in the design and implementation of the training program.

Because employees are more likely to be engaged and receptive if they have the option to participate, **make trainings voluntary**. However, leaders should express the value of these trainings and actively participate in the sessions themselves. When employees see that leaders are committed to the process, they are more likely to take it seriously and see it as a priority.

Facilitators should frame gender diversity initiatives as being for women **and** men, not women **versus** men. Trainings surrounding discrimination and bias tend to be met with defensiveness, so it is important

not to point blame, but rather express how gender equality benefits everyone. Facilitators should also set ground rules for respectful conduct. Given that it is 33% more likely for women to be passed over or interrupted during meetings,²⁴ hand raising and calling on individuals can help ensure everyone has an opportunity to share their perspective.

Remember that gender diversity training should not be a one-time event. Provide continuous learning opportunities and reinforcement to ensure that the principles of the training are integrated into everyday practices.



Strategy #3: Recruitment

For many women, the gender wage gap starts upon hire and widens through their career.²⁹ By implementing the following best practices, you can help set up your employees for long-term success.

Avoid Requesting Wage History

One of the primary ways to promote equitable hiring is to avoid requesting previous wage information from job applicants. Women generally begin their careers closer to wage parity with men, but they lose ground as they progress through their careers because employers base pay offers on a candidate's previous pay.⁹ Women's lower starting salaries result in reduced savings and investment opportunities, impacting their financial security throughout their careers. By considering an applicant's

qualifications, skills, and market value, rather than their previous salary, employers can create a fairer and more level playing field for all candidates.²⁵

Include Pay Range on Job Postings

Another way to promote equity in recruitment is by including a pay range on job postings based on established criteria of value added to the organization. This minimizes potential bias from hiring managers when determining or negotiating pay. Research shows most women negotiate their pay less frequently and vigor-

ously than men. Disclosing a pay range can decrease the need for women to negotiate and at least sets the parameters based on market pay rates.²⁶ In fact, pay transparency practices can reduce the gender wage gap by 40%.²⁷ Even if not required by law, posted pay ranges increase the number of applicants, and decrease the likelihood of losing a candidate mid-pipeline.²⁸

Write Gender-inclusive Job Postings

Job postings can subtly encourage or discourage women from applying. Men tend to apply for jobs when they feel they meet only 60% of the qualifications, while women tend to apply if they feel they meet all qualifications. Studies show the key reason is not lack of confidence, but rather that women see qualifications as requirements rather than guidelines; they don't want to waste their time and energy applying if the posting tells them they're not going to get the job. So eliminate preferences, non-essential requirements, and unrealistic ideals (if a preference is that important, it should be listed as a requirement anyways).²⁹





Consider that many skills can be trained on the job if you have the right person willing to learn. Express your willingness to invest in transferable skills and employee development.

Additionally, you can encourage more applicants in general by making postings more growth-mindset oriented. Jobs where women are hired are twice as likely to have contained growth-mindset language in their postings (e.g., committed to improvement, seeks challenges) over fixed mindset language (e.g., high performer, top-tier talent).³⁰ Use a tool such as gender-decoder.katmatfield.com to identify whether the language in your job postings is coded more feminine or masculine.

Conduct Blind Screenings

Blind screenings involve removing identifying information such as names, gender, and other personal details from initial job applications. This ensures that candidates are

evaluated solely based on their qualifications, skills, and experience, without the influence of unconscious biases.

Address Hiring Biases

To minimize the influence of personal bias during the hiring process, organizations should establish clear and consistent evaluation criteria for all candidates, as well as train hiring managers to recognize the following biases:

- **Double Bind Bias:** When women are penalized for appearing competent, assertive, or ambitious.
- **Higher Bar Bias:** The tendency to set higher expectations or more stringent criteria for women.
- **Extra Scrutiny Bias:** Excessive scrutiny of women, seeking to find flaws or reasons not to hire them. This bias can be particularly damaging as it may lead to the dismissal of highly qualified candidates based on minor issues or perceived inadequacies.
- **Shifting Criteria Bias:** Changing or adjusting

the evaluation criteria for different candidates, often unconsciously. This bias may arise due to preconceived notions about what an ideal candidate should look like, based on stereotypes or personal preferences.

Implement Diverse Hiring Panels

To minimize bias in the selection process, organizations should ensure that hiring panels consist of individuals from diverse backgrounds. Diverse perspectives can offer unique insights into candidate evaluations and help identify potential biases. Providing training to hiring managers on conducting inclusive interviews and making unbiased hiring decisions further reinforces the commitment to equitable recruitment practices.

Set Organization Goals for Gender Diversity

Finally, it is essential for organizations to set specific goals to hire and promote more women. Organizations with a positive gender mix are 21% more efficient than others.¹⁸ By tracking and measuring progress, organizations can hold themselves accountable for achieving a more diverse and inclusive workforce. Transparently communicating these goals and progress to employees fosters a culture of accountability and empowers more women.

Strategy #4: Advancement

Advancing women to leadership positions is good for business. Organizations with more women on boards outperform those without, and organizations with greater gender diversity among senior leaders are more profitable.³¹ In fact, companies that had a 30% increase in women leaders yielded a 15% increase in profitability.³²

And yet there are only 37% of women in leadership positions, despite women comprising 47% of the workforce.³³ There are several potential reasons for this discrepancy. For instance, a report found that men are often hired or promoted based on their potential, while women are more likely to be evaluated on their experience and track record. Women who have observed this phenomenon may be discouraged from seeking promotions unless they feel their qualifications are “enough.”

In addition, women often find themselves stuck at lower levels in their career without clear pathways to higher positions. This invisible barrier of discrimination that hinders women from reaching high levels of leadership is known as the “glass ceiling.” However, this analogy doesn’t take into account that women begin facing obstacles that limit upward mobility from the start of their careers.

An alternative perspective is the “broken rung phenomenon,” which describes the various barriers women face as they attempt to climb the corporate ladder. The WAGES

Strategy shared earlier can help you identify the concentrations of women in different levels of seniority, as well as promotion rate differences between men and women. By installing strategic “rungs,” your organization can encourage and advance more women to leadership positions.

Bias Training

Women seeking leadership positions face a double standard. They are often advised to show self-confidence to advance their careers, increase their pay, and succeed at work. However, this seemingly gender-neutral concept is weaponized against women. When they don’t achieve their career goals, it’s attributed to a lack of confidence. Paradoxically, when they demonstrate confidence through assertive behavior, it can backfire, leading to perceptions of low confidence or “bossiness.”³⁴

Ironically, research reveals that the most effective leadership behaviors (inspiration, participative decision-making, setting expectations and rewards, people development, and role modeling) are

exhibited more frequently by women.³⁵ Even stereotypically feminine traits, such as vulnerability, can be criticized as a detriment to leadership, despite research showing the opposite.³⁶

The benefits of bias training, then, extend beyond removing barriers for women; it diminishes myths and stereotypes about what it takes to be a successful leader. Women leaders will worry less about being perceived as a “dragon lady,” and men will worry less about having to be the “alpha male.” Outside of these performative roles, leaders can employ more authentic, inclusive leadership strategies.

Leadership Programs

Having a supportive network of women with shared experiences can make it easier to be vulnerable and take risks without concern for judgment. Women’s leadership programs have been shown to increase promotion and retention rates.³⁷ For example, General Motors, a top-ranking organization for gender equality, has a Women’s Retail Network made up of groups of 20 women who

regularly meet to discuss and improve business performance. On average, participants earn 30% more than non-participants.³⁸

However, while a leadership program can clearly demonstrate your organization's commitment to gender equity, it can just as easily exacerbate gender stereotypes and hinder professional development. Women who participate in these programs may be perceived as "deficient" or that it is their responsibility to correct inequity within the organization.

In addition, training, mentoring, networking, and conferences takes time away from job duties and "resume-building" projects, forcing a choice between "learning" and "doing." To make your leadership program worthwhile, it must have a real-world impact. Provide opportunities for women to use what they learned in a

way that will make them more promotable, such as stretch assignments.³⁷

In addition to supporting women, leadership programs can be a powerful source of reflection and insight into your organization. Due to experiences of not being taken seriously or concerns of sounding like a "complainer," women may be hesitant to bring up barriers to their supervisors. Validation from a network of other women can encourage transparency with leadership. This transparency can bring to light common issues that are getting in the way of your organization's goals. By rewarding those who speak up and taking action to resolve problems, you strengthen trust and communication among all employees.

While women-only networks should be accessible, it is essential that men are an active part of the conversation. First to listen

and learn and then to reflect and collaborate on how to make a better workplace for everyone. Consider leadership programs as a think tank for solving your organization's biggest equity problems. This shifts the intention from fixing weaknesses in women to fixing weaknesses in your organization's operations and culture.³⁹

Developmental Feedback

During performance evaluations, leaders tend to give men concrete feedback and steps for improvement, while they give women vague and less useful feedback. This can be due to assumptions about what women want in their careers and what they are capable of, as well as the tendency to be "softer" on women.

Men	Women
<p>Set the vision</p> <p>"Forget the details and focus on strategy."</p>	<p>Deliver the vision</p> <p>"Develop broader knowledge of finance procedures."</p>
<p>Be assertive</p> <p>"Would benefit from a more prominent role."</p>	<p>Get along</p> <p>"Could develop better tolerance techniques."</p>
<p>Learn</p> <p>"Express arguments and debate more forcefully."</p>	<p>Be</p> <p>"Be a bit more confident and have more self-belief."</p>

Examples of how feedback to men and women commonly differs:⁴⁰

While both sets of feedback may have good intentions, and even both be geared towards developing leadership skills, the woman is at a clear disadvantage.



To start addressing this issue, examine how men and women are concentrated among projects and responsibilities. Are women afforded the same opportunities as men to show high-level skills, or are they given more simple assignments? Avoid making assumptions about anyone's career goals (e.g., assuming that a mother of young children wouldn't want the additional responsibility of a promotion). Instead, leaders can ask questions such as, "What motivates you? What is your vision for the team/company, and how does that fit with the bigger picture? How can you involve others in developing your vision?"

While operational, tactical areas for improvement should also be discussed, it's important that they're discussed equally among men and women. Have conversations around specific domains and skill sets. For example, "What specific skills do you feel less confident about? How can you develop them?"⁴⁰

A lot of bias can be minimized by establishing positive and negative performance criteria by which every employee is evaluated. Train leaders to look for concrete examples of how employees have embodied behaviors or produced outcomes. Their feedback for improvement should focus on how to amplify strengths and rectify weaknesses. It should be specific — not just what to do but also how to do it, laying out specific next step for promotions, bonuses, or other advancements.⁴¹

For many men, their eventual path to success is considered inevitable, only requiring certain steps, certain people, and time. To develop a culture of accountability and high-performance, every employee must be afforded this same mindset.

ElevateHER Challenge

Want more ways to advance women in leadership? Have your organization accept the

Women's Leadership Institute's ElevateHER Challenge. This is a non-prescriptive, research-based, action plan to help companies transform women's leadership. It focuses on each of the following areas:

- Increase the percentage of women in senior leadership positions.
- Increase the retention rate of women at all levels of your organization.
- Increase the number of women on your organization's Board of Directors and encourage women to serve on community and corporate boards.
- Monitor pay by gender and close identified gaps.
- Establish or enhance a leadership development, mentoring and/or sponsorship programs for women.
- Urge women to run for public office and give follow-up support.

Strategy #5: Retention

Retaining employees reduces the time and resources spent hiring, onboarding, and training, while ensuring institutional knowledge is not lost. Research has shown that companies with a diverse staff are more productive, innovative, and successful.⁴²

Implement Family-Friendly Policies

As more women, particularly women of color,⁴³ become the sole or primary breadwinners for their families,⁴⁴ it is important for the sake of your organization, your employees, their families, and the economy that mothers are not forced to choose between their families and their careers. By implementing policies and practices that support employees with caregiving responsibilities, including flexible work arrangements and parental leave policies, you can improve employee retention and support work-life integration.

Although the Family and Medical Leave Act (FMLA) was a landmark victory for women who might otherwise have to choose between a career and children, research shows that federal family leave policies may have inadvertently set back wage equity.

During the 1980s, the wage gap between white women and white men in the US declined by approximately 1 percentage point per year. In the decades since, the rate of gender wage

convergence has slowed by one third. A study shows that the introduction of the FMLA can explain up to 95% of this stalling. Pre-family leave, wage equity would have been achieved as early as 2017.⁴⁵

What happened to slow the convergence? One explanation is that mothers take approximately four times more days of leave compared to fathers. The period at which women take leave tends to coincide with important career milestones and opportunities for advancement. While mothers are temporarily out of the workforce, fathers tend to work more, increasing disparity in both pay and professional growth.⁹

To make matters worse, employers may take this expected difference into consideration during the hiring or promotion process. Research shows that the FMLA lowered promotion rates for women by 8%.⁴⁶ The impact of the “motherhood penalty” was exacerbated by the COVID-19 pandemic. 2.3 million women exited the workforce in 2020, and women’s employment rate hit a three-decade low in February 2021.⁴⁷

These findings shed light on the benefits and costs of family and medical leave. Leave policies allow mothers to return to work more quickly after childbirth, work longer hours if desired, and be more productive – all of which can help narrow the wage gap.²⁵ While researchers continue to explore solutions, employers can implement more comprehensive leave policies to remedy the potential costs:

- **Equal Leave for Men and Women:** Providing an equal amount of parental or personal leave for both men and women can help promote a fair distribution of caregiving responsibilities. This approach reduces the burden on women, who often face societal expectations to be the primary caregivers.
- **Paid Leave:** Introducing paid or partially paid leave policies ensures that parents can take time off without facing financial strain.
- **Flexible Work Arrangements:** Offering remote work options, flexible hours, compressed workweeks, and job sharing allows parents the time necessary to work around childcare schedules, as well

as facilitate overall work-life harmony. It is essential to create a culture that encourages the utilization of these options and does not penalize employees for making use of them. One study found that 94% of women believe that requesting a flexible work arrangement would negatively affect their likelihood of promotion, and 90% believed their workloads would not be adjusted accordingly. However, flexible work policies benefits organizations – studies repeatedly show that offering flexibility around when and how someone works makes employees not only happier but more productive.⁴⁸

- **Return-to-Work Program:** Providing resources and support networks for working parents, such as childcare assistance or access to family-friendly benefits, can facilitate a gradual transition back into the workforce and aid work-life balance. It's important not to simply welcome an employee back and continue on as if nothing had changed for them. Be proactive and ask employees about their transition back into work and how their job will change before they go on leave.

As you implement and strengthen family-friendly policies in your organization, highlighting them within job

postings, interviews, and benefits guides will help attract and retain employees.

Practice Pay Transparency

After establishing equitable pay bands using the WAGES Strategy, lead your organization in improving its pay transparency practices.

Companies can have differing levels of pay transparency, ranging from very limited transparency, where candidates must wait until the end of the recruiting process to learn their own pay, to full transparency, where every employee knows what each other's pay is and why.⁴⁹

Whatever level of pay transparency your organization is at, there can be barriers to moving up a level. Generally, when executives hear "pay transparency," they focus on what it will cost. However, increasing pay transparency can drive short- and long-term returns.

68% of employees would consider switching employers for greater pay transparency, even if compensation was the same.⁵⁰ Especially in a climate where recruiting and retaining good talent is so tight, you can set yourself apart as an employer if you maximize this competitive advantage. Companies with more pay transparency tend to have high-trust cultures and higher

performance. In addition, formal raise and bonus structures encourage employees to actively influence their own compensation, in turn increasing motivation and productivity.⁵¹

Transparency can help women identify disparities and embolden them to negotiate for fair pay, as well as reduce bias in leaders' decisions. A study showed that women who agreed pay was transparent at their organization earned between \$1 and \$1.01 for every \$1 a man earned. This held true regardless of the woman's job level and for most industries.⁵²

Invite Feedback

While this guide includes best practices for retaining employees, it is equally important to conduct internal assessments, both to tailor strategies to your organization and to verify that they're actually working.

Invite feedback through formal engagement surveys, one-on-one meetings, and exit interviews. Whenever possible, take steps to improve policies, practices, and training based on the feedback, particularly if you notice a pattern of complaints. When leaders regularly ask for and act on feedback, they create a sense of psychological safety, which further encourages employees to voice their opinions and develops a high-trust culture.

Resources

Create Change



The Women's Leadership Institute helps companies, especially executive leadership, understand the value and vitality of gender diversity.

Through the ElevateHer Corporate Challenge and leadership development cohorts, the initiative empowers companies and women to direct their leadership abilities and commit to positive and proactive change.

These changes might include:

- Decreasing or eliminating the wage gap in their company
- Providing a promotion path toward senior leadership for qualified women
- Understanding unconscious bias and its impact on men and women in the workforce
- Allowing gender diversity on corporate boards

Find resources at wliut.com.

Inspire and Be Inspired



As part of Inspire In Utah, this initiative focuses on recognizing and highlighting the stories of 100 Utah companies that offer family-friendly policies and practices, as well as women-specific initiatives known to impact the recruiting, hiring, retaining, and advancing women employees, managers, and leaders.

Through sharing the success stories of these 100 companies, the initiative aspires to create a positive ripple effect, encouraging more businesses in Utah to adopt inclusive and progressive policies that benefit both their employees and the overall business ecosystem.

Apply at inutah.org/100-companies.

Broaden Your Impact



The overarching mission of A Bolder Way Forward is to make Utah a place where more girls and women can thrive in any setting. While the Utah Women & Leadership Project (UWLP) is coordinating this effort, hundreds of organizations and individuals are also leading by bringing together entities and individuals who are already doing related work or who want to get involved. This systems approach is based on "networked leadership" where strategic partnerships and alliances across sectors are critical for change.

The UWLP works from the middle and helps coordinate efforts led by various spoke teams, research groups, action communities, and other working entities to stay in alignment with the mission.

Join the movement at abolderwayforward.org.

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