# **FINDINGS REPORT: 2021 EQUALPAYMA ROUNDTABLE SERIES** 2022







## 2021 EqualPayMA Roundtable Series: Findings Report

#### **Executive Summary**

In the wake of the COVID-19 pandemic and racial justice awakening in 2020, communities have started to speak out in support of more equitable workplaces. These crises shed light on issues in the workplace that have existed for years, including wage inequity and discrimination. The 2021 EqualPayMA Findings Report shares the best practices, resources, and advice for employers to use in order to create a more equitable workplace. The report uses qualitative data from the Office of Economic Empowerment (OEE)'s 2021 EqualPayMA roundtable series coupled with outside sources regarding the pay equity movement. The series included eight sessions led by panelists from across the state who contributed unique perspectives to the conversation on pay equity in Massachusetts.

This report organizes the information and resources shared throughout the series into two major sections beginning with **Recommendations for Employers**, which includes chapters on Hiring & Retention and Funding & Investing. The second section, **Be a Changemaker**, reviews recommendations on how to engage as an individual across three chapters: Legislative Priorities, Know Your Worth, and Mentoring & Community.

The 2021 EqualPayMA Findings Report addresses the need for a shift in how employees are treated by offering a detailed list of actions that employers and employees can take to create a just working environment. This report's reflection calls to action the responsibility of businesses and individuals alike to dismantle inequitable systems with straightforward adjustments to their workplace policies.

#### Report

State Treasurer Deborah B. Goldberg established the <u>Office of Economic Empowerment</u> (<u>OEE</u>) in 2015. OEE is a department within the <u>Office of the Treasurer and Receiver</u> <u>General of Massachusetts</u> tasked with supporting, advocating, and facilitating policies that empower all Massachusetts residents. Since its founding, OEE has prioritized equal pay by launching the website, <u>EqualPayMA.com</u>, which provides resources on the gender and racial wage gap, equal pay laws, and best practices for businesses.

The COVID-19 pandemic did not just affect the health and wellbeing of our society, it also exacerbated existing inequalities and set back the progress women have made in the workplace. Women were hit the hardest as the pandemic diminished economic opportunities for mothers and women of color. This downturn pushed women out of the workforce in astounding numbers not seen since the 1980s. According to the National Women's Law Center<sup>1</sup>, if these 1.8 million women return to work, their wages could stagnate and decline to lower levels than pre-pandemic wages due to time lost in the workforce. This wage loss would widen the race and gender pay gaps.

This threat of declining wages, paired with the existing gender and race wage gaps adversely affecting women of color, led to the creation of the EqualPayMA Roundtable Series in 2021. These virtual conversations created a space to identify the unique challenges that different communities face regarding pay and workforce inequity. OEE's 2021 EqualPayMA Roundtable Series highlighted equal pay days affiliated with different demographic groups and hosted general conversations regarding the "<u>shecession.</u>"

Since the 2021 Series, we can see the impact of other economic developments on both the gender pay gap and women returning to work. Labor shortages, the need for better employment benefits, and the "great resignation" will likely continue to have an impact on the number of women who re-enter the workforce post-shecession. <u>The National Women's Law Center reported that 27 times more men than women joined the workforce in January 2022 alone, and that unemployment rates continue to be higher for Latinas, Black women, and women with disabilities compared to women and white men overall. This is more than a gender or workforce issue, but a crucial equity issue.</u>

OEE has an ongoing commitment to raising awareness, sharing resources, and providing residents with opportunities to engage. Throughout 2022, salary negotiation workshops and employer-oriented programming will made available by the office to communities across Massachusetts.

<sup>&</sup>lt;sup>1</sup> Report from NWLC: <u>Nearly 2.2 Million Women Have Left the Labor Force Since February</u>

## 2021 EqualPayMA Roundtable Series Overview

The <u>2021 EqualPayMA Roundtable Series</u> focused on eight themes to highlight the unique inequities across different demographic groups and industries. By narrowing the scope of each pay equity discussion, panelists and participants provided robust proposals for moving forward and shared resources to uplift these marginalized communities.

In February, OEE launched the 2021 series with an event to recognize Asian American & Pacific Islander Equal Pay Day. The next event took place in March on Equal Pay Day, a symbolic day dedicated to raising awareness of the gender pay gap. This date symbolizes how far into the year the average woman must work to earn what the average man had made the previous year alone. Each roundtable was planned around these symbolic dates for multiple demographics of women.

In 2020<sup>2</sup>, women earned \$0.83 for every dollar men earned during the same period. The average wage gap for women varies by demographic. Therefore, different dates are recognized to illustrate how far into the year an average woman of color needs to work to earn what the average man earned in the previous year. In 2020, compared to each \$1 earned by a white, non-Hispanic man, on average:

- African American and Black women earned \$0.64, so they would need to work up to August 3<sup>rd3</sup> to reach the total earned income of a white, non-Hispanic man from the prior year.
- Latinas earned \$0.57 and would have had to work until October 21st to earn the same as a white, non-Hispanic man during the prior year.
- Native Women earned \$0.60, making their equal pay day September 8th.<sup>4</sup>
- In 2021, Mothers' Equal Pay Day<sup>5</sup> was recognized on May 5th, as mothers make on average \$0.70 to fathers.
- Asian American women as a whole earned \$1.01.6

<sup>&</sup>lt;sup>2</sup> While raw data regarding <u>median income and wages is available for 2021</u>, the wage gaps and corresponding calendar days have not yet been released, so until their release we will continue to use 2020 data and will update this report accordingly.

<sup>&</sup>lt;sup>3</sup> You can find all the referenced equal pay days at the <u>National Committee on Pay Equity.</u>

<sup>&</sup>lt;sup>4</sup> 2020 data are <u>currently unavailable</u> for Native American women, so this wage gap uses 2019 data.

<sup>&</sup>lt;sup>5</sup> According to <u>Equal Rights Advocates</u>, "For every dollar paid to white, non-Hispanic fathers, Latina mothers are paid just 46 cents, Native American mothers are paid just 50 cents, Black Mothers are paid 52 cents, white, non-Hispanic mothers are paid 71 cents, and AAPI mothers are paid 90 cents."

<sup>&</sup>lt;sup>6</sup> When broken down by <u>specific demographics</u>, many Asian American women, such as Vietnamese and Bangladeshi American women, make far less than the average shown here. Additionally, Asian American women

Outside of these demographics and their symbolic dates, OEE included roundtables on LGBTQ+ equal pay and the restaurant industry while examining the effects of COVID-19 and the corresponding economic crisis on equal pay. Throughout these topics, speakers recapped the historical struggles for pay equity and the systemic issues that revealed themselves in 2021 while also asking: Where do we go from here?

Moving into 2022, we must continue to reflect on the lessons we have learned and carry that through into actionable items for employers and policymakers to implement across Massachusetts. The most significant takeaway from the 2021 series is that this movement affects all of us, regardless of gender, race, or employment background. This movement is not just about equal pay for equal work but about disrupting the system and creating an equitable working society. This is a call to action to every place of work and employer. Now is the time to act equitably and be accountable.

#### **Recommendations for Companies and Employers:**

As we continue to recover and learn from the current pandemic, economic crisis, and racial justice awakening, there is a powerful call to action in our society. Our personal advocacy only goes so far; we also must turn to the systems in which we can affect and exert control over. As employers, managers, or owners of businesses, you have the power and the responsibility to enact real change.

OEE recommends analyzing your organization to identify key indicators, such as how representative your managers, C-suite executives, or Board of Directors are in relation to your clientele or target demographic. Reassess your organization's mission, vision, and goals: are you making a positive impact in your community? It does not matter whether your organization is driven by social impact or a profit-motive, every employer has the power and the responsibility to create a just and safe environment, and every employee has the right to be treated fairly and with respect.

A compensation audit can help jumpstart this process. Speakers and presenters from the 2021 series suggested making goals tangible and achievable using a model such as <u>SMART</u> (Specific Measurable Attainable Relevant <u>Time-Based</u>). For example, verbally advocating for equity in the workplace is insufficient for bringing real, tangible change and equity. Instead, set goals for the desired percentage of women, women of color, and other marginalized groups represented in the workplace. Making these goals transparent both to employees and stakeholders, if applicable, can increase accountability. If you are unsure how you should be measuring your own data and what an appropriate goal looks like for your organization, many non-profit and private

are more likely to hold college degrees than non-Hispanic, white men, but when accounting for educational levels, <u>research</u> shows persisting wage gaps for Asian American women.

consultants can offer support for assessing these goals, such as the <u>YW (national and local)</u> and the <u>Chamber of Commerce</u>.

As you continue to examine your internal goals, reflect on how your current policies and protocols can affect the day-to-day feelings of inclusivity.

To begin building a work environment that is equitable and attractive, implement policies and norms in your own office that seem simple but make a big difference to employees at your organization. Last year during the roundtables, speakers highlighted the following examples:

- Offer flexible work hours.
- Implement an option to work remotely.
- Provide monitors, workspace, external keyboards, and other equipment that are costly for individuals to purchase if remote work is an option or encouraged.
- Be conscious of transportation barriers (not everyone has or can afford a car).
- Provide a flexible lunch hour—this could be beneficial for parents with family obligations, for running errands, and for necessary mental health breaks.
- Offer on-site daycare.
- Share calendars and uphold working hours when remote: when you are off the clock, be off the clock. As a manager you set the tone: if you are emailing at 11 PM, your employees may feel pressured to respond or work outside designated hours.
- Invest in cultural competency and recognize holidays, traditions, and other cultural norms. For example:
  - From the Latinx Equal Pay roundtable: a speaker described that Latina women are more about contact, touch, and feel so when the pandemic placed distance on the community, she made sure to include colors, music, and other areas of vibrancy to her meetings to ensure it was lively.
- Acknowledge and accommodate the burdens facing women, mothers, and others in your organization that are unseen or unpaid.
  - For example: if there is a new mother on your staff, can you move the internal staff meeting back an hour so she can do day care drop off? Small changes can create a more equitable environment.

## Hiring & Retention:

Workplace structures impact not only employed workers but also candidates who are applying for a job. The process of recruitment and retention is vital to this conversation around equity.

Questions to start your review of hiring and recruiting processes:

- Where does your organization or your Human Resources department (if applicable) post job openings?
- Where does your organization network and search for new talent?
- Examine your organization's job postings:
  - Do the postings use gendered or biased language, such as listing the position as Chairman instead of Chairperson?
  - Are the preferred qualifications creating an unfair divide in eligible candidates? For example: requiring specific certifications, higher education degrees, or additional needs such as access to a car can turn some qualified candidates away and widen the socioeconomic wage gap.
  - Instead, try listing a certification or degree preference with "or equal experience," like experience in a related field or specialized vocational training.
- During the hiring process, does the organization rely too much on criteria in a resume instead of demonstrations of skills?
- Does the organization publicly post the salary range and benefits for job openings?
- How long is the hiring process from posting the job opening to sending a written offer? Are interviews flexible to candidates' schedules? Are hiring processes and schedules transparent?

Retention is an essential consideration outside of the hiring process, and we've already shared some great ways to employ an equity lens when drafting office policies. Outside of these small changes to how you operate the workplace, think about more active ways to show anti-discrimination behavior in the workplace.

# Updating the employee handbook

Most companies have an employee handbook and require onboarding or start-of-hire training. These are both opportunities to re-iterate your company's commitment to equity, including a zero-tolerance policy for workplace harassment or a plan to deal with discrimination.

# Creating anti-racist and anti-discrimination trainings

Many companies require sexual harassment training every year. In addition to this training, try incorporating required anti-bias and anti-discrimination training every year. This training can explore microaggressions, appropriate terminology, the history of pay equity, workplace discrimination, and any other topic that is suitable for your company. Knowing that your company values its employees enough to educate and proactively prevent discrimination is a huge step in keeping employees happy and productive. Hiring quotas mean nothing if you have a high turnover of people of color and women.

Additional recommendations for creating a better workspace:

- Language access and professional development for immigrant workers
- Mental health support
- Incentivize "self-care"
  - During the sessions, one woman shared that her boss gives everyone a half-day once a month that is supposed to be dedicated to "self-care" and mental health.
- Prioritize safety such as providing ample PPE equipment during the pandemic
- 100% payment above the table

The final pieces of advice for employers address investing in people and their valuable capital. Everyone can be champions for pay equity by investing in professional development and training.

## Fund & Invest:

- If you can offer a grant or provide an investment, be conscious of who and what you are investing in and the impact that you can make with dollars and resources.
- If you are hiring an intern, make sure they are paid. Many people of color (POC) and women suffer from a lack of generational wealth and cannot afford to take an unpaid internship.
- Invest in childcare for your employees.
- Invest in partners and vendors that support diversity, equity, and inclusion.
  Ordering takeout for a meeting? Order from a POC-owned business, a small woman-owned business, or "buy gay"!
- Expand employee benefits and professional development such as Paid Family Leave and language training for English language learners.
- Pay your employee at least what they would receive if they were on unemployment (suggestion from the <u>restaurant industry roundtable</u>).

## Be a Changemaker

Institutionalized and systemic change does not just have to happen at the State House or in the board room. We all can be advocates from our homes and work on a local, state, or federal level to influence public policy and be a changemaker.

## **Legislative Priorities**

During OEE's 2021 series, the distinguished speakers shared the bills they are supporting in relation to pay equity.

## Common Start

The Common Start legislation, H.605 & S.362, would establish a system of affordable, high-quality early education and childcare for all Massachusetts families, over a 5-year timeline. This system would cover early education and care for children from birth through age 5, as well as after- and out-of-school time for children ages 5-12, and for children with special needs through age 15. Learn more: <u>Common Start MA</u>.

## Parity on Board

An Act to Ensure Gender Parity and Racial and Ethnic Diversity on Public Boards and Commissions (H. 3157/S. 2077) would require that the composition of each appointed public board and commission broadly reflect the general public of the Commonwealth. All appointive boards and commissions of the state shall be gender, racially, and ethnically balanced. According to the bill, composition should not exceed 50% of one gender. Additionally, racial and ethnic composition of each board and commission must, at minimum, reflect the percentage of racial and ethnic minorities in the general population.

As our state and community continues to grow economically and culturally, enacting this legislation would bring about major change across our leadership diversity. Learn more: <u>Parity on Board Legislation</u>.

## Wage Transparency Bill

An Act Relative to Transparency in the Workplace (Bills H.2020 and S.1196) is a foundational step for eliminating racial and gender wage gaps in Massachusetts. It requires all employers—private, non-profit and governmental—with 100 or more employees to report the average wages by gender, race, and ethnicity for the entire organization, and to also report the proportions of the top 10 earners by race, gender, and ethnicity. Most critically, it requires release of this data to the public at the institutional level to provide for comparative analysis, establish accountability, and measure progress. Learn more: <u>Wage Transparency Legislation</u>.

#### **Recommendations for Workers:**

#### Know Your Worth

Many times, we do not know where to start. Am I paid enough? Am I being fairly compensated? Pay secrecy is difficult to break, but wage transparency may be the key to arming marginalized workers and closing the wage gap. By researching your role in other organizations or asking folks in your network, you can start to gather information about the standard pay for your position. This information can provide context for where you stand with your employer. You could also learn what your predecessors were making to see how your initial offer compared. With this knowledge, you can confidently advocate for a fair wage or salary that adequately values your work. The Office of the Treasurer and Receiver General offers many pay equity resources, including free salary negotiation workshops. If negotiating a salary increase is not possible, there are other benefits you can negotiate, such as bonuses and vacation time.

Lack of access to information regarding public resources and workers' rights is often a barrier to ensuring fair wages and preventing unfair or discriminatory practices in the workplace. Knowing your rights as an employee can better prepare you to face workplace challenges and to assert your power when negotiating/interacting with your employer. For example, during the <u>Asian American and Pacific Islander Women's pay</u> <u>day discussion</u>, one of the panelists who works specifically with the Vietnamese community of nail salon workers pointed out how her organization, <u>VietAID</u> (Vietnamese American Initiative for Development), makes sure her clients are aware of their legal rights as workers. Many immigrant workers or English language learners are intimidated by the American workplace, and ill-mannered employers can take advantage of this situation.

Therefore, VietAID provides coaching and suggests tactics to handle a challenging situation delicately and with discretion. Beyond your journey to being adequately compensated, you can also be an ally to others in the workplace. Start with your own Human Resources Department or manager. Ask questions about what the company is doing to maintain industry standards in pay, inflation, and market demands. Inquire about Diversity, Equity, and Inclusion (DEI) training or coaching for cultural competency. Asking these difficult questions can spark a real revolution in a company and start to make ripples in changing our industry standards, and it can all start with you.

#### **Mentoring & Community**

Real change requires solidarity by supporting one another to ensure pay equity. Mentoring can be an excellent avenue for achieving this support. Find a mentor in a field or position that interests you. There are accessible online networks or groups on Facebook and LinkedIn to find those with similar interests. Join an advocacy effort, coalition, or group that organizes on issues that affect you.

Additionally, if you attended a college, university, vocational school, or technical school, you could check out your school's alumni network or look directly at your workplace. Do not be afraid to reach out and ask to get a coffee or have a call. Use this time to ask how they got to their current position and the lessons they learned. By cultivating these relationships, we learn from each other and build a community and network to support one another. Many of our speakers of color especially spoke to the power of mentors, mentees, and their networks.

Don't forget to pay it forward. Become a mentor to someone else. Share what you know and bring along friends and sisters in this business. The act of paying it forward can be as simple as sharing a tool or book that helped you or an article that you find interesting. If you cannot make an event or meeting, ask if you can send someone in your place and invite a mentee that would benefit from that exposure.

As we build together and work from the inside out to bring about change, think about what you can do as an advocate and an ally. If you are involved in organizing big or small events or meetings that need catering: recommend vendors of color or local small businesses instead of a chain. Try shopping at local, Black, Indigenous, and People of Color (BIPOC)-owned, or LGBTQ+-owned businesses. Start to bring others that have historically been left out of the conversation to the table. If you are in a position of power, uplift others and adequately address their needs.

This work is vital but can also be emotionally taxing and mentally draining. Remember to put your own oxygen mask on first.

#### **Final Note**

Throughout our many conversations in this space, we continue to learn from one another. It is a living movement that changes and adapts to the needs of our time and generation. Please continue to share, listen, and learn. Let's work together and start to close the gaps!

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