

Ultimate
SOFTWARE

Each for Equal

Why Workplace Bias isn't Just a Women's Issue



THE BIAS THAT EXISTS TODAY

Women.

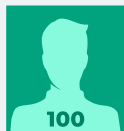
They make up over half of the world's population yet make up less than half of the workforce. And their involvement in labor is waning. Why? Some reasons are socioeconomic, such as the cost of having a child. In certain cases, it's cheaper to not work and care for your child than pay for daycare. But women are also facing more serious, systemic issues. From having to overcome the "Broken Rung" on the corporate ladder to fighting to have their voices heard—or worse, darker issues including harassment and discrimination in the workplace.

This guide will break down several obstacles women face every day as well as steps your organization (and you as an individual) can take to help reduce the bias and fight for equal rights. Don't worry: this paper won't all be doom and gloom. There are bright spots to be found and strides being made every day. But before we get into the different obstacles and achievements, let's take a look at the current state of the workforce as a whole.

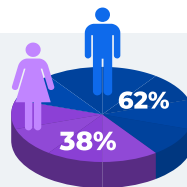
THE BROKEN RUNG

You may have heard of the glass ceiling, a metaphor describing the barrier women have to break through to gain respect in the workplace and work their way to the top. Well, there is good news: there are indications that the glass ceiling is starting to crack. Over the past five years, more women than ever have been able to be promoted into senior management in the C-suite. But there is a new struggle: **the "broken rung."** The broken rung describes the very first promotion women need to get into management.

Let's break it down by the numbers.



For every 100 men promoted and hired into management positions, only **72 women** are promoted and hired.



When examined further, this means **men end up holding 62%** of manager-level positions, while **women only hold 38%**. And it's even worse for women of color.

For every 100 entry-level men who are promoted to manager, just **68 Latinas and 58 Black women are promoted.** And, for every 100 men recruited as managers, **only 57 Latinas and 64 Black women are hired.**¹



The first step employers can take is try to help fix the broken rung. Employers must take a pulse check on their organization to see where there is room for improvement, and how their management is looking. Is it predominately male? Predominately female? Perhaps there is a candidate you may have overlooked who would be a great role model and leader. Luckily, tools are available to assist employers in pinpointing workforce trends worth addressing and identifying potential top performers. Look into people management solutions including artificial intelligence (AI)-driven surveys, and predictive analytics that combined can give you unbiased insights into how your employees are truly performing. Unlike the business world of just a few years ago, the hard work of addressing bias and improving the status quo doesn't have to be a completely manual process. But even with the necessary attention paid to this issue, fixing the broken rung doesn't solve all our problems.

GENDER INEQUALITY IN PAY

As of 2019, **women were making 82% of what men were making.**²



Pay inequity is a real issue for women today. But what is it? Essentially women are being paid less than men for the same type of work and same work experience and educational background. While this disparity has improved over time, it is still very much a fixture of the modern corporate world. As of 2019, women were making 82% of what men were making.² Put another way: for every dollar a man makes, **women on average only make 82 cents.** Most agree that it will take decades before the pay gap is expected to fully close. Taking into account the most recent data (for example: from 2017 to 2019 there was no change), the pay gap isn't expected to close until 2093.³

The numbers are even more complex for women of color. Let's take a deeper look broken down by ethnicity:

- Asian women make 89 cents on the dollar
- Black women make 62 cents on the dollar
- Native Hawaiian/Pacific Islander women make 61 cents on the dollar
- Native American and Alaskan Native women make 57 cents on the dollar
- Hispanic women make 54 cents on the dollar

Plus, women's retirement income is only 70% of men's, meaning that the pay gap impacts women's socioeconomic status in the long-term. As the cost of living continues to increase, women are finding it increasingly difficult to make an affordable way of living.



What has caused this pay gap, and why is the year we reach pay equity still so far away?

Longstanding biases ensured that when women first started to enter the workforce, they were paid less, and while some legislative actions have taken place to decrease the gap, it has yet to be definitively closed. The workforce is also still designed such that full-time workers are not expected to be the primary caretakers of children. Some women are forced to take an unpaid or partial-pay maternity leave. They are also usually the ones to take time off to take their children to the doctor or care for them when sick. All of this has impacted women's wage-earning potential in the long run.

Beyond being hired for less, the wage gap becomes even more disparate when women are promoted. Since women start out lower on the pay scale, they end lower than their male counterparts even after promotions. However, one positive is that since 2015, women have been asking for promotions and negotiating salaries at the same rate as men.¹

There is still a discrimination bias in the workplace as well. As discussed previously, women of color make less on the dollar, and as minorities in general face discrimination, women of color feel it more.

Another major issue is the lack of pay transparency. Since salaries are often considered to be taboo topics in the workplace, many women don't even realize they are being underpaid. In today's work environment, transparency has been a huge topic of discussion. Companies can take concrete steps to be more transparent to help employees feel at ease. If everyone knows the standard of pay, then the wage gap will naturally continue to decrease across the board, and women won't be shortchanged when promoted.

So, what can you do to help close the wage gap? It starts with recruiting, when job openings simply include the salary in the posting. This will ensure that regardless of whom you hire, they will be paid the same. As for your current employees, there is another opportunity to perform an internal analysis. Do you see a large pay gap? Is there a more pronounced difference in some departments compared to others? What about management? Once you have an objective sense of how far your organization has to go, create a plan to help reduce the pay inequity at your organization over time, and look for opportunities to level the playing field during promotions.

GENDER INEQUALITY IN LEADERSHIP

There is a bright side to all of this. Over the past five years, the representation of women in the C-suite has increased from 17% to 21%. And 44% of companies have three or more women in the C-suite, up from 29% in 2015.⁴ What's causing this trend? Most organizations are realizing the benefits of promoting an equal workplace, so more women are being hired at the director level. This is a solid step in the right direction.

However, many people think we are a lot farther along than we actually are. 62% of men and 54% of women think women are well-represented at the first level of management, but only one in three managers is female. And this discrepancy is even more pronounced when considering senior leadership. **Only 10% of senior leaders are female, yet nearly 50% of men think there is adequate representation at this level.**¹ It's imperative that we start changing the perception of what equality in the workplace looks like. So, what needs to be done? This problem starts with the broken rung. While women have taken amazing strides to get into senior leadership levels, we simply need more females in *lower* management positions so they can one day grow into a director, VP, and even C-suite role.

But fixing the broken rung comes from the top down. More senior leaders need to re-evaluate their hiring process for management. Are you only hiring external managers? Is there already a better fit from within your own organization you can promote? It's a lot cheaper to promote from within than to make an external hire.⁵ Plus, more opportunity for growth within an organization leads to more engaged employees and increased retention rates for both male and female employees.



MINORITIES IN LEADERSHIP

Minority women have not seen the same recent advances as Caucasian women. Their opportunities are often far fewer and much harder to attain.

In one survey of 323 companies, only six

report that they do all of the following:¹

- set diversity targets
- require diverse slates for hiring and promotions
- establish clear and consistent evaluation criteria before review processes begin
- require unconscious bias training for employees involved in hiring and performance reviews

Of course, improving your diversity and inclusivity standards isn't just mean to help certain groups. These standards should be set so that everyone, regardless of gender, sexual orientation, and race, has an equal opportunity at work.

Meanwhile, while the glass ceiling has been cracking, not all women are seeing the benefits. More often than not, black women and women with disabilities are receiving far less opportunities of advancement, sponsorship, and mentorship.

In fact, since Ursula Burns, former CEO of Xerox, left her role in 2016 there have been no black female CEOs at any Fortune 500 company. Burns herself was the first to achieve this distinction. And the number of women of color in any leadership role at Fortune 500 companies is declining. As more and more leaders step away, no one is there to replace them. The percentage of women in color in leadership at Fortune 500 companies is the lowest it has been since 2002.⁶

If women of color are not given the same opportunities, they will continue to remain at a disadvantage, and this may discourage younger generations as they enter the workforce. In order to promote an equal opportunity workplace, guidelines must be established (and followed for everyone) as to what criteria can be taken into account for a promotion, standards all employees should meet, and a diversity and inclusion action plan to ensure everyone is being heard.

HARASSMENT IN THE WORKPLACE



A few years ago, the **#MeToo** movement empowered many women to come forward with their personal stories. Since then a lot has changed in the workplace, as more women feel that they have a voice to speak out against their injustices. The injustices women face every day can be broken down into two parts: bias and harassment.

Bias

Oftentimes, men can be unaware of gender bias that exists in the workplace. In fact, senior-level male employees, in particular, say that they don't observe a lot of gender bias. Only 12% say they've seen biased behavior toward women in the last year. On the other hand, 43% of senior-level women say they have. Whether it's overt bias or microaggressions (brief, subtle, and often-ignored verbal or behavioral expressions of bias), 73% of women have experienced some sort of bias in the workplace.

The first step toward a solution is making employees of **both** genders aware of how to recognize bias and whether or not that bias is unconscious. "Unconscious bias" happens when a person makes another feel uncomfortable without even realizing it. This is often due to societal norms commonly taught throughout life. Next, employers must offer comprehensive training for spotting and eradicating bias. By educating the workforce on bias (both conscious and unconscious), employees will know what to look for, so they can become better advocates for themselves and others. While this training might be uncomfortable at first, the impact it will have on all employees will be beneficial in the long run.

Harassment

The second and often more serious issue is harassment. Over half of the women surveyed from LeanIn.org said that they have been harassed in some sort of way at work—**57% to be exact**. And worse, 24% of women believe that harassment is on the rise, while 27% of men believe that harassment is decreasing.

Another major issue with this, is that **50% of men believe that the consequences of the harassers are far more damaging to their careers.**

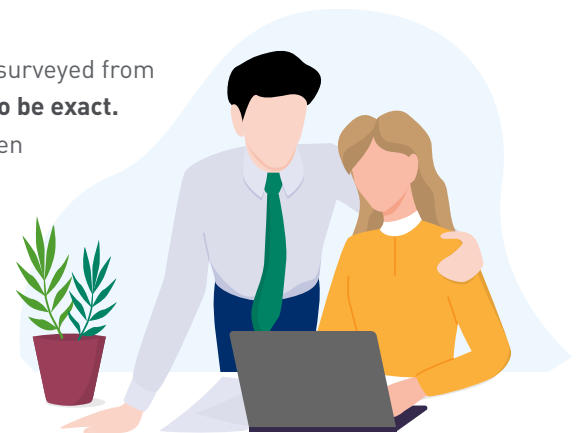
As a result of this divide in beliefs, 60% of managers who are men now say they're uncomfortable participating in a common work activity with a woman, such as mentoring, working alone, or socializing together. That's a 32% jump from a year ago. And 36% of men avoid socializing or mentoring women, out of fear of being incorrectly perceived.⁷ Let's break down how this is affecting women's career growth:

Men in senior-level roles are:

- 12x more likely to hesitate to meet 1-on-1 with junior-level women than with other men
- 9x more likely to hesitate to travel together for work
- 6x more likely to hesitate to have work dinners

This relates to the leadership representation discussed above. As men are more often in managerial roles, they have a say in who they sponsor, mentor, and eventually look to promote. If they are uncomfortable being alone with women, then men will continue to get the first pick at new opportunities and promotions.

There is a bright spot in all of this. 70% of employees report that their company has taken action to address sexual harassment. That's a 24% increase since 2018. And more than 75% of employees believe their company would thoroughly investigate a claim of sexual harassment. However, the sentiment remains that if an employee being accused is a top performer, the investigation isn't as thorough, and the punishment isn't as harsh.⁶



57% of women have been harassed in some sort of way at work.

So, what can your organization do?

The first step is to take action on how your organization fights sexual harassment from the top down, whether it's a policy change added to the corporate handbook or offering more frequent training. Notify your employees immediately of any changes to policies and make sure your employees understand that no harassment—large or small—is tolerated. The most important factor, however, is to treat all claims the same. Do a thorough investigation and take the same action for everyone. No one should be given special treatment because they are a top performer, in management, or any other situation. To learn more about effective training, access our guide, [Getting Harassment Training Right](#).

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