

BEST PRACTICES  
GUIDE FOR  
CLOSING THE

# GENDER WAGE GAP



# DEAR FELLOW UTAHNS,

Our state leads the nation in business opportunity, economic growth, employment rates and fiscal stability. Yet, despite all of our accomplishments, Utah has unfortunately and consistently been named the worst state for gender pay equality.

There is a multitude of factors that contribute to the inequitable pay of our hard-working women, some of which are contributed by business processes and workplace biases. Closing the gap will require the recognition of these biases and implementation of multifaceted solutions in order to ensure the work Utah women perform is valued fairly.

Presently, Utah doesn't have the skilled workforce necessary to fill all the current and new jobs coming to our state. Elevating women by closing the gender wage gap will strengthen our workforce by enhancing our ability to find and retain the talent we need to address Utah's tight labor market and further contribute to the growth of our state's economy.

We urge all businesses to review the contents of this document, identify what specific actions they can take to close the gender wage gap and adopt policies to create a more fair and equitable pay environment. When everyone has the same incentives and opportunities, we all benefit from increased diversity, greater innovation and more financial stability for families which ultimately leads to a stronger economy.



**Derek Miller**  
President & CEO  
Salt Lake Chamber

A handwritten signature in black ink that reads "Derek Miller".



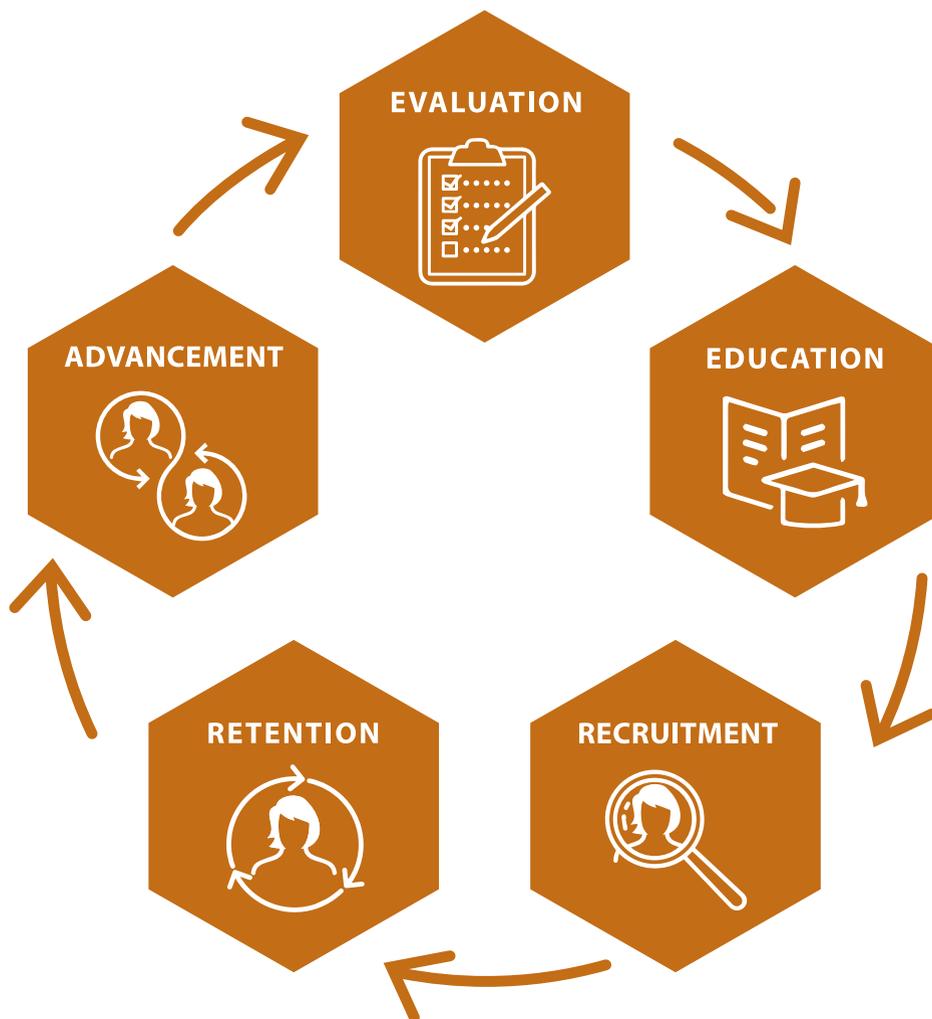
**Pat Jones**  
CEO  
Women's Leadership Institute

A handwritten signature in black ink that reads "Patricia Jones".

# WHY CLOSING THE GAP MATTERS

The **gender pay gap** has existed since women entered the workforce.<sup>1</sup> Utah ranks 50th in the nation when it comes to gender pay equity—the result of a unique set of cultural norms and business practices and policies.<sup>2</sup> Any step we, as a state or business community, take will help to improve this standing which would have positive effects for Utah's economy.<sup>3</sup> While the gender wage gap may seem daunting, the good news is **you have control** over how your company addresses that gap.

Putting policies and **best practices** in place to close the gender wage gap makes your company more attractive to potential employees by showing them you are committed to pay equality, increasing your applicant pool and chances of recruiting highly skilled workers. With 60 percent of new college graduates being women, it is more important than ever to be an **inclusive workplace**.<sup>1</sup>



# EVALUATION

Closing your company's gender wage gap starts with **acknowledging** the pay gap exists. Commit your company to do its part and begin by determining who in your organization is **underpaid** and how it happened.

## WHAT YOU CAN DO RIGHT AWAY

- Conduct a landscape analysis of your company's pay distribution by role, level and gender.
  - Assemble a diverse team of men and women from different departments, and assign them the task of identifying what internal factors contribute to income inequality.
  - Review your company's workforce by position, salaries, job level and gender, as well as other forms of compensation such as benefits, bonuses and overtime.

“ **Harmons reviews employee salary annually to check for inequities. If we do find any, we adjust the wage to the market rate for the position.**

Nicole Lengel, *Harmons*

“ **The gender pay gap won't be closed with just one review or one training. It's important to continually check progress to make sure our company is on the right track.**

Brayden Jessen,  
*SentryWest Insurance Services*

## PRACTICES TO ADAPT OVER TIME

- If you find pay inequality between employees at the same level, consider taking these steps:
  - Publish salary information for the various roles and levels within your organization. This kind of transparency will engender trust and loyalty from employees by showing your company wants to compensate everyone fairly.
  - Raise the compensation of the underpaid employees to equalize pay.
  - Implement automatic “bump-up pay,” meaning when you hire someone for a higher salary than their team members, those team members proactively receive an off-cycle increase in pay.

# EDUCATION

Having a **diverse** staff can improve your bottom line. Diverse groups are better and faster at problem-solving and are more likely to be innovative.<sup>4</sup> Additionally, companies with higher gender diversity are more likely to **outpace** their industry competitors in terms of **financial returns**.<sup>5</sup>

## WHAT YOU CAN DO RIGHT AWAY

- Provide unconscious bias training for all staff.
  - This type of training highlights the unconscious biases we all carry about people's identities, how to recognize those patterns of thought, and ways to not let these biases influence decision-making.
  - Effects of training are often short-lived but can be useful in decreasing bias if done before hiring and promotion decisions are made, such as just before periodic reviews/evaluations are conducted.<sup>6</sup>
  - Be aware of "double bind," where women are often less liked the more they are seen as competent, but men are more likable the more competent they appear.<sup>6</sup>

## PRACTICES TO ADAPT OVER TIME

- Provide specific training for those involved in the hiring process to address biases such as "shifting criteria," "higher bar" and "extra scrutiny."
  - Shifting criteria: when a man has A education and B experience, a woman has B education and A experience, people choose the man as more qualified based on education/experience. When the education and experience are reversed, the man is still chosen as more qualified.<sup>6</sup>
  - Higher bar: women are required to have more evidence of competence and success than men.<sup>6</sup>
  - Extra scrutiny: men and women seem hireable at the same rates, but women receive more statements doubting their abilities and experiences.<sup>6</sup>

“ At Boeing, we require hiring managers to complete training before they hire anyone. As the training is refreshed, it is then required before the next time we hire. This helps ensure we are hiring the best candidates for each position based on their experience and skill set.

Laura Bogusch, Boeing

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“ Companies should be utilizing the full spectrum of the workforce. We need to make sure we aren't unintentionally limiting our capability, leadership or future due to unconscious biases.

Dave Smith, Penna Powers

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# RECRUITMENT

**Adapting** your recruitment and hiring practices could help close the gender wage gap by **ensuring** new hires don't start out at a deficit in pay compared to other employees.

## WHAT YOU CAN DO RIGHT AWAY

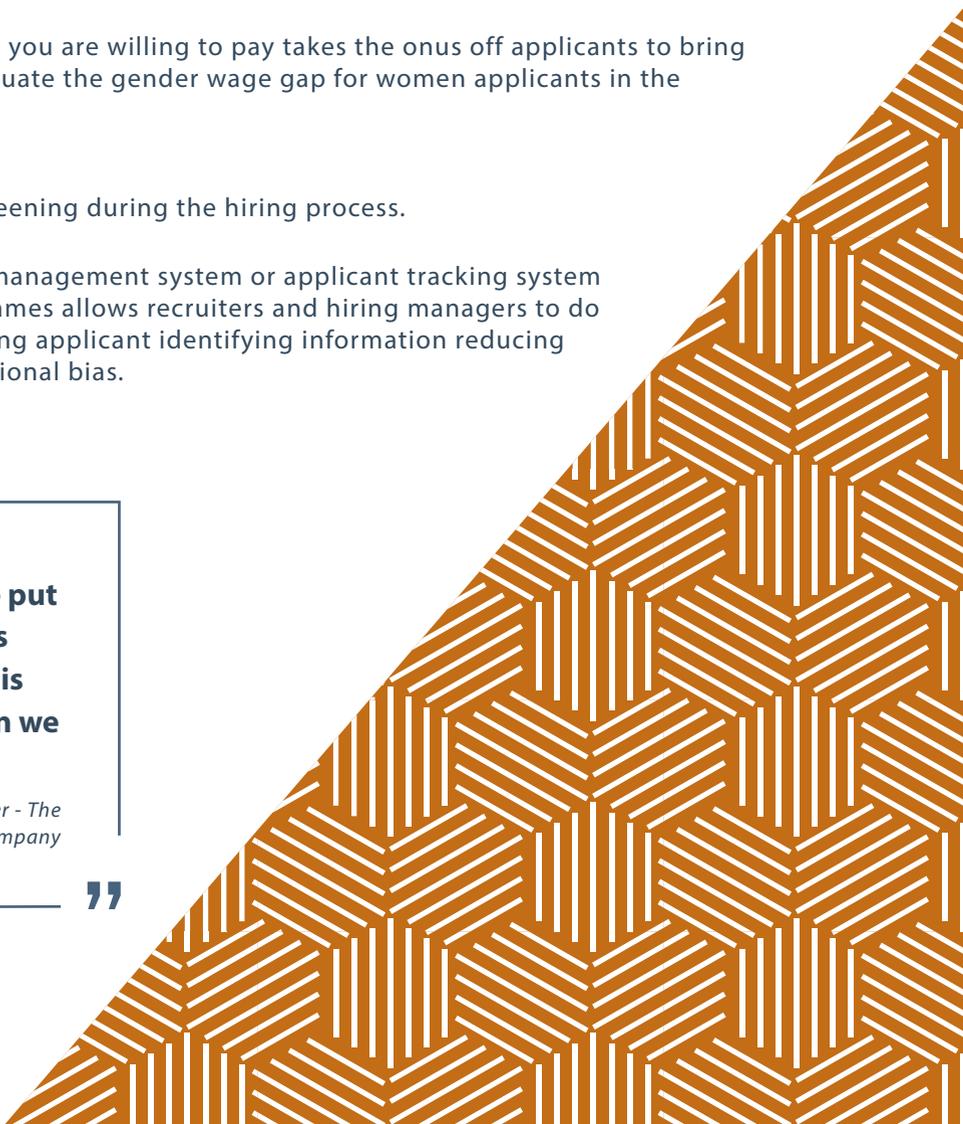
- Set company goals to hire and promote more women.
- Avoid asking for previous wage information during the hiring process.
  - Previous employers may have underpaid your new recruits. By asking for and basing pay on previous pay, the gender wage gap may be perpetuated.
- Set the pay range for jobs based on value added to the organization before the hiring process begins.
- List the pay range on the job description.
  - Being upfront about what you are willing to pay takes the onus off applicants to bring up pay, which may perpetuate the gender wage gap for women applicants in the negotiation process.
- Consider conducting blind screening during the hiring process.
  - Using a human resource management system or applicant tracking system that removes applicant names allows recruiters and hiring managers to do a first cut without accessing applicant identifying information reducing the likelihood of unintentional bias.

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**Our company does not negotiate salary offers. We put our entire pay and benefits package on the table. This is the same for every position we hire.**

Linda Wardell, *City Creek Center - The Taubman Company*

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## PRACTICES TO ADAPT OVER TIME

- Do not rush the hiring process. Allow extra time in order to ensure enough applications from women candidates are received.
  - If women aren't applying for a particular position, ask why not and re-evaluate your recruiting process and resources.
  - Research shows formal methods of recruitment result in a greater share of women in the workplace, as opposed to informal network-based recruitment.<sup>1</sup>
  
- Remove gender bias from the job description with gender-friendly language.<sup>7</sup> Jobs where women are hired are twice as likely to have contained growth-mindset language from the beginning.<sup>8</sup>
  
- Limit salary negotiation for new hires.
  - Men are often favored in negotiations due to cultural biases. Because of this, women may be more uneasy about the negotiation process and may fall into stereotypical feminine traps agreeing to lower pay and consequently continuing the cycle of gender pay discrimination.
  - Have all personnel in a hiring position complete gender bias training and negotiation training before beginning the hiring process.
  - Have some formalized method of determining offers if you do choose to continue negotiating.

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**Women aren't always perceived the same as men in negotiations. Companies should work to find ways to level the playing field for women negotiating their salaries.**

Lori Chillingworth,  
Zions Bancorporation

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# RETENTION

Retaining employees reduces the amount of resources spent on hiring, training and integrating new hires, while ensuring institutional knowledge is not lost. Retaining women employees ensures diversity among staff, and research has proven that companies with a diverse staff are more productive, more innovative and are overall more successful.<sup>4</sup>

## WHAT YOU CAN DO RIGHT AWAY

- Company culture and values are set by leadership.
  - Have company leadership publish a statement of intent to acknowledge and address the gender wage gap.
  
- Set short-term, attainable goals for closing gaps and celebrate small wins.
  - Simple small steps toward gender pay equality can build over time, creating new norms for businesses.
  
- Ensure transparency in how pay is set in the hiring and promotion process.
  - Publishing pay for position levels within the company and the formula used to decide starting pay and promotions for different levels of positions can increase transparency between management and internal employees.
  
- Ask why employees are choosing to leave your company.
  - Retention could be improved if policies are implemented based on feedback from employees about company culture, etc.

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**When  
our teams  
meet to discuss future  
hiring needs, we use existing  
pay ranges to ensure pay  
equality among all employees.**  
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Martin Ritter, Stadler Rail US Inc.



## PRACTICES TO ADAPT OVER TIME

- Put paid parental leave policy in place for all new parents.
  - Having parental leave that is specific to mothers and fathers would lessen the difference in work missed between moms and dads, and could help change the perception of which parent is expected take a significant amount of time off work when a couple has a baby.<sup>10</sup>
  
- Allow employees access to customizable, flexible schedules.
  - This allows parents the time necessary to work around childcare schedules, maintain a full-time job, and stay on track for potential advancement.
  
- Implement return-to-work programs for those returning from parental leave.
  - Empower managers to utilize return-to-work programs for staff retention.
  - Return-to-work programs allow for gradual transitions back to work from parental leave and can help decrease the “motherhood penalty” for women.
  - Be proactive and ask employees about their transition back into work and how their job will change before they go on leave.
  - Many companies offer multiple flexible schedule and reduced-hour options over the course of parental leave time.

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**Companies should empower managers to utilize flexible work schedules and return-to-work programs to meet the needs of their employees. WCF has worked with key employees to create flexible schedules which have allowed the company to continue to thrive and have retained highly skilled, valuable members of our team.**

Ray Pickup, WCF Insurance

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# ADVANCEMENT

When looking at factors contributing to the gender wage gap, many note the **lack of women** in C-Suite and other top leadership positions. The following practices and policies will help **decrease gender bias** and **ensure equal opportunity** for advancement.

## WHAT YOU CAN DO RIGHT AWAY

- Look at the distribution of men and women among projects and high-level responsibilities.
  - Check to see if women are afforded the same opportunities as men to show their skills and take on important projects.
  - Watch for a disproportionate amount of less glamorous work being given to women. Employ a fair process for assigning these tasks and rotate them after a set time period.

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**The business case for gender diversity is clear, what has been less clear is how to move from intention to action. WLI’s ElevateHer Challenge is all about action. ElevateHER has provided Workfront with practical steps we can take to be a great place for women to work and succeed.**

Alex Shootman, *Workfront*

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## PRACTICES TO ADAPT OVER TIME

- Set goals (such as SMART goals) and achievement-based promotions for employees.
  - The vast majority of companies already have this in place, but often they are gendered in construction. Conduct a re-evaluation of your performance measures to see if they reflect the traits of those already in power.<sup>7</sup>
  - Be specific. Ambiguity and overly-narrow definitions of success amplifies bias.<sup>7</sup>
- Take advantage of mentoring programs for women, ensuring a pipeline of qualified women employees when leadership positions open up.
- Have your organization accept the Women’s Leadership Institute’s ElevateHER Challenge.<sup>11</sup>
  - The ElevateHER Challenge is a non-prescriptive, research based, action plan to help companies transform women’s leadership.





■ The ElevateHER Challenge focuses on each of the following areas in order to reap the full benefit of enhancing women's leadership:

- 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, extend the influence of women in your industry and encourage women to serve on community and corporate boards.
- Monitor pay by gender and close identified gaps.
- Establish a Leadership Development and/or Mentoring Program for women.
- Urge women to run for public office and give follow-up support.

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**The tone must be set by top leadership of a company to make closing the gender wage gap and advancing women a core mission. For companies that have women in high-level positions, they are showing their employees what they value.**

Melanie Vartabedian, *Ballard Spahr*

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WOMEN'S  
LEADERSHIP  
INSTITUTE

*This publication was made in partnership by the Salt Lake Chamber and Women's Leadership Institute. Both institutions feel strongly that closing the gender wage gap is good for women, business and Utah as a whole. The policies, practices and ideas suggested here were researched, reviewed and verified by staff from both organizations as well as multiple Utah business leaders. For more information and resources for you and your company, please visit [slchamber.com/wagegap](http://slchamber.com/wagegap) and [wliut.com/wagegap](http://wliut.com/wagegap)*

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