

Massachusetts Women's Leadership Index

March 2017 Release



DEVELOPED AND PRESENTED BY:



Institute for
Women's Leadership

Nichols College

Reflections from...



President Susan West Engelkemeyer, Nichols College

We are proud to release the 2017 Massachusetts Women's Leadership Index. While we are pleased to see marginal improvements in the aggregate score and gender wage gap since the 2015 release, it is discouraging that corporate leadership and nonprofit leadership indicators are down, albeit slightly. We collectively have much work to do. Leadership matters, and at Nichols, we believe in developing leadership at all levels, and in all people. On our end, we have created the IWL as well as an Emerging Leaders program to discover and foster the leadership skills that we believe exist in every one of our students. Organizations in Massachusetts and across the nation are leading the way with programs and policies that enable and promote leadership in their female employees. Boston's city-wide commitment to offering free salary negotiation workshops for women, and the pay equity bill which passed unanimously by both legislative branches in the Commonwealth, will hopefully lead to better results for the MWLI. Diversity in the workplace is a distinctly identified competitive advantage. Progress has been made, but it is my hope that we will see the MWLI increase significantly over time. We stand ready at Nichols College to do our part as we prepare the leaders of tomorrow.



Jean Beaupre, Faculty Director of IWL at Nichols College

When we released our first Index in 2015, the results were both encouraging and sobering. Although the composite score was low, 36 out of 100, there were some areas in which women showed strong representation. With this, our second release of the MWLI, we are able to begin tracking progress over time. The results are again mixed. Although in some places we are able to see progress, in the aggregate, the movement is slow. Our calculation results in a score of 39 out of 100. There is, however, reason for optimism. In addition to pockets of improvement, there has been an increased focus on the issues related to women and leadership in academia, the media, and private and public sectors. As part of the educational experience here at Nichols, we have implemented programs, workshops, and courses designed to both educate our students on the relevant issues, and develop the leadership skills they will need to make a difference in their workplaces and communities. Witnessing the talent, determination, and hard work of our students, I can report that the future is bright.



Alexandra Vojtila '17, Research Intern

Having been a part of the Institute for Women's Leadership at Nichols College for the past four years, I am aware of the differences and tribulations women face in the workplace and society as a whole. However, I was unaware of the specific impact they have on our women in the state of Massachusetts. As an Economics and Business Communication double major, I have seen the impact of the dollar on both men and women. What we need to focus on is breaking the norms and notions that women are unequal in the workplace. Being that I will soon enter the real world and obtain a job, I feel strongly that these barriers need to be pushed down. In terms of capability, women have the aptitude to achieve a much higher participation rate than shown in this Index. We can see that since our last Index in 2015, there have been some areas of progress in Massachusetts including corporate board seats and mayors. There is still obvious room for improvement in all levels and sectors of society; however, with numbers still being so low, the opportunity for progress is immense. It is my hope that my fellow students will become more aware of the issues that they will be facing, and set forth to bettering the future of women in business.

The Massachusetts Women's Leadership Index: 2017 Release

The Massachusetts Women's Leadership Index (MWLI) was developed by the Institute for Women's Leadership at Nichols College to assess and monitor the status of women and power in the Commonwealth. To most broadly reflect women's representation in leadership, a cross-section of key indicators was selected in political, corporate, nonprofit, and educational sectors. Female representation is measured against two comparative perspectives: how Massachusetts measures up against gender parity representation (50%), and how Massachusetts compares to the rest of the United States. The gender wage gap was incorporated due to the importance of compensation as an indicator of power. The methodology is outlined on page 4, and may be applied to other states in order to assess both current standings and progress over time. The MWLI was first calculated in 2015; this 2017 release provides a current snapshot, as well as an assessment of progress of the past two years.

Focused on Leadership

The role of women in business, government, and society today is the subject of much research and debate—in the media, in the academic community, as well as around boardroom and kitchen tables. Although there are many ways of assessing the status of women, this Index is squarely focused on leadership roles in both public and private sectors. Simply put, leadership is power. The categories selected for inclusion in the MWLI (see page 4) represent the opportunity for important decision-making. The influence of those who hold these positions is vast and has the potential to affect key industries and organizations, as well as the entire population of the Commonwealth, both in the near and long-term. It is for this reason that the MWLI is specifically focused on leadership, and assesses changes in the representation of women over time.

Measurement Matters

Before asking why *measurement* matters, we must first ask: why does *greater diversity in leadership* matter?

- First, diversity benefits the bottom line. When women are involved in decision-making and on work teams, financial performance and innovation improve.¹
- Next, women control 70-80% of consumer spending in the U.S.,² are increasingly managing household finances,³ and in 40% of households, are the primary breadwinner.⁴ Involving women in decisions impacting women makes strategic and competitive sense.
- And, there is the argument for equal representation. For example, the realization that women are 50.8% of the U.S. population,⁵ but only 19.4% of U.S. Congress⁶ is troubling, especially when considering the multitude of decisions being made in Congress that directly impact women.

Despite the benefits of diversity, in nearly all categories in all industries, women are significantly underrepresented in leadership roles. There is the occasional area where women are at or near parity representation. In these situations, complacency has the potential to stall or even reverse growth. Another concern is tokenism, or the perception that having a small number of women in executive ranks or on a board signals an achievement of diversity.

Raising awareness of gender gaps is an important first step in closing the gaps, and has the potential to lead to beneficial programs and policies. For example, in Boston, awareness of the gender wage gap led to a city-wide commitment to offering free salary negotiation workshops for women.⁷ The MWLI aims to contribute to the conversation by providing a concise, ongoing assessment of the representation of women in leadership. It is our hope that, ultimately, the gaps will be closed and these types of reports will become unnecessary.

Findings

A variety of key indicators of leadership in Massachusetts in business, nonprofit, public, and educational sectors, was assessed. After comparing women's representation in these leadership positions to both parity and the national averages, a composite score of 39 out of 100 was calculated. The 2015 score was 36, showing 8.3% positive movement.

Category	National	Massachusetts	Score	2015 Score
Corporate leadership				
CEOs ⁸	4.6%	5.3%	1	0
Board seats ⁹	19.9%	18.6%	2	1
Executive officers ¹⁰	14.2%	12%	1	1
Nonprofit leadership (including education)				
CEOs ¹¹	20%	23%	5	5
Board seats ¹²	48%	36%	6	6
Public leadership				
State legislature ¹³	24.8%	26%	6	6
Mayors ¹⁴	18.9%	22.6%	5	2
Police chiefs ¹⁵	3%	2.8%	0	1
Superintendents (public schools) ¹⁶	23%	38%	8	9
Gender Wage Gap ¹⁷	80%	83%	5	5
TOTAL			39/100	36/100

Score calculation:

Parity (50%) or above: 10/10	50-59.9% of parity: 5
90-99.9% of parity: 9	40-49.9% of parity: 4
80-89.9% of parity: 8	30-39.9% of parity: 3
70-79.9% of parity: 7	20-29.9% of parity: 2
60-69.9% of parity: 6	10-19.9% of parity: 1
	Less than 10% of parity: 0

Pay gap calculation:

96-100%: 10
91-95.9%: 8
86-90.9%: 6
81-85.9%: 4
76-80.9%: 2
<75%: 0

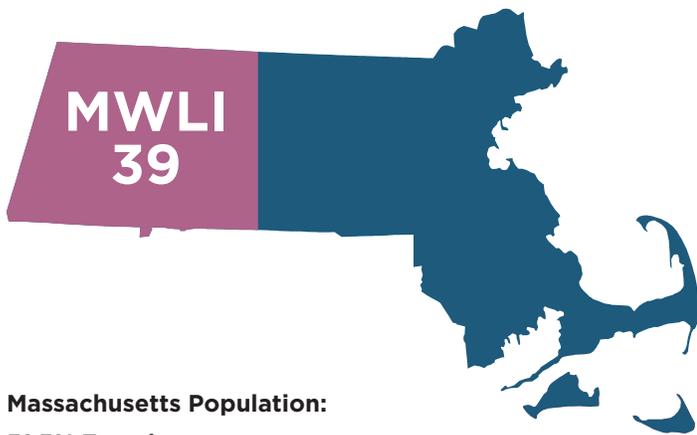
Adjustment for 1%+ above/below national average: +/-1

Maximum score in each category: 10/Minimum: 0

Methodology

The statistics above reflect women's representation in leadership positions across multiple sectors, using the most recent and credible information available. Each statistic was measured against similar statistics for men, and then compared to parity (the ultimate goal) as well as the national average. (For the purposes of this Index, parity is defined as 50% of the equivalent male statistic, a commonly used metric.) Additionally, the gender wage gap was included as a reflection of the importance of compensation as it relates to power. Definitions and details can be found in the endnotes.

Graphical Representation of Findings: Massachusetts Making Some Progress



Source: U.S. Census, 2015



Corporate CEOs



Corporate Board Seats



Corporate Executive Officers



Nonprofit CEOs



Nonprofit Board Seats



State Legislature



Mayors (cities of 30k +)



Police Chiefs



Superintendents



Gender Wage Gap



See previous page for detailed statistics.

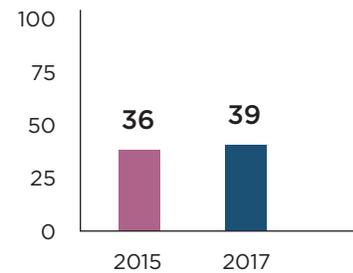
Moving (Slowly) in the Right Direction

As seen in the Index and the charts to the right, progress for women has indeed been made over time. However, growth has slowed. At the current rate of change, women won't reach parity in corporate board seats or wages for nearly four decades, and it could be more than a century before women have equal representation in U.S. Congress.¹⁸ Although anti-discrimination laws are in place, many barriers still exist for women, chief among them being implicit bias, or behaviors driven by subconscious attitudes and stereotypes. Although women have been shown to be equally effective as, and in some cases superior to, men as leaders, both women and men still view leadership as more of a male domain.¹⁹ Another factor is the pipeline to leadership, and women's ambitions to ascend. Troublingly, although women have been shown to graduate college with leadership ambition equal to their male counterparts, that ambition drops over time.²⁰ One reason may be the reputational price that women pay when expressing their ambitions.²¹ Self-confidence and societal expectations are also integral here. A recent study showed that children as young as 6 years old see men as being more intelligent than women,²² and women consistently underestimate their abilities while men have been shown to overestimate theirs.²³

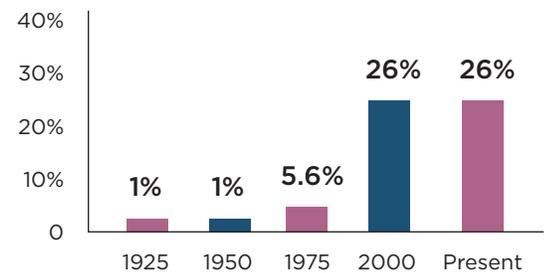
With so many complex and societally entrenched issues at play here, how can we ensure that progress does not stall? The first step is awareness, a goal to which the MWLI aims to contribute by succinctly expressing women's representation in leadership positions in Massachusetts. Further, it is important to educate people on why diversity is a goal that would benefit all, for which several important sources are listed in the endnotes of this publication.²⁴ The next step is action, implementing programs that educate both men and women, and provide development opportunities. For example, many corporations invest in significant diversity initiatives, and each year, the National Association of Female Executives publishes a list of Top Companies for Executive Women.²⁵ As previously mentioned, the city of Boston, in conjunction with AAUW, is offering negotiation workshops for women, with a goal of reaching at least half of Boston's working women in the next five years.⁷ And, in places as diverse as the Pentagon, MetLife, and right here on the Nichols College campus, women participate in Lean In Circles, offering opportunity for support and learning in peer groups.

It is our goal with this Index, as well as the Institute for Women's Leadership at Nichols College, to positively contribute to the conversation around gender and leadership, while also preparing our students for the diverse workforce they will soon serve and lead. We encourage your feedback and ideas. Contact jwl@nichols.edu or 508-213-2443.

MWLI, 2015-2017

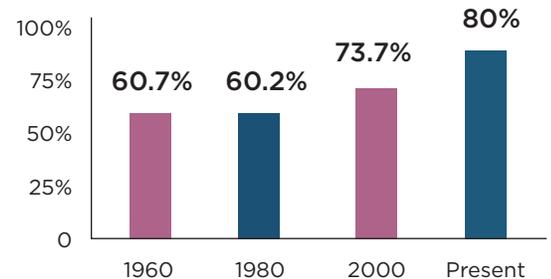


Women in MA Legislature, 1925-present



Source: cawp.rutgers.edu and www.mawomenscaucus.com

Gender Wage Gap in U.S., 1960-present



Source: nwlc.org/resources/wage-gap-over-time

Endnotes

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About Nichols

Founded in 1815, Nichols College is accredited by the New England Association of Schools and Colleges and by the International Assembly for Collegiate Business Education. Within a supportive community, Nichols transforms today's students into tomorrow's leaders through a dynamic, career-focused business and professional education.

About IWL

The Institute for Women's Leadership (IWL) at Nichols College was founded in 2013 under the direction of President Susan West Engelkemeyer and the Board of Trustees. Developing intelligent, ethical leaders of tomorrow has long been the driving purpose of Nichols College. The IWL is now an integral part of that goal, in recognition of the unique leadership potential that exists within each of our female students. Through campus initiatives, industry partnerships, research analysis, and thought leadership, the Institute for Women's Leadership at Nichols College focuses on the issues and challenges impacting women in business, with goals of developing the leadership potential of female students, and serving as a resource and authoritative voice on women's leadership for the community at large.

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