

Massachusetts Women's Leadership Index

March 2015 Release



Developed and presented by:



**Institute for
Women's Leadership**

Nichols College

Reflections from...



President Susan West Engelkemeyer, Nichols College

We are pleased to release the inaugural Massachusetts Women's Leadership Index (MWLI). This report and the Institute for Women's Leadership (IWL) are reflective of our dedication to and focus on leadership at Nichols College. The Index measurement clearly points to an underrepresentation of women in leadership across all sectors. Leadership matters, and at Nichols, we believe in developing leadership at all levels, and in all people. The MWLI indicates that we collectively have much work to do. 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. And the results are conclusive; diversity in the workplace is a clearly identified competitive advantage.¹ Progress has been made, but we are not yet at parity representation for women in leadership, a goal that will benefit all. It is my hope that we will see the MWLI increase over time, and at Nichols College we stand ready to do our part as we prepare the leaders of tomorrow.



Jean Beaupre, Faculty Director of IWL at Nichols College

In embarking upon the development of the MWLI, we expected the results to be both encouraging and sobering, and indeed they were. In some cases, such as State Legislature, Massachusetts is ahead of the national average. Female representation in nonprofit leadership is a bright spot. In general, however, across all categories and across the country, there is substantial progress still to be made. Women represent 50.8% of the U.S. population² (51.5% in Massachusetts),³ 46.9% of the civilian labor force,⁴ and 56.8% of enrolled college students.⁵ And yet, as the statistics on the following pages show, there is vast underrepresentation at leadership levels. At the IWL, we strive to raise awareness of these gender gaps, while energizing our female students so they graduate prepared and ready to lead in their communities and organizations. We invite your feedback and suggestions; please contact me directly at jean.beaupre@nichols.edu, or 508-213-2443.



Jacquelyn Khillah '15, Research Intern

When first beginning work on this Index, I knew that women were underrepresented, but I had no idea by just how much. The underrepresentation of women is a misrepresentation of how much potential we have to change the professional world. Women have come a long way in leadership, but there is still a long way to go. Seeing these statistics is very eye opening, especially since I will soon be graduating and entering the work world. Having the knowledge contained in this Index, women of all ages can prepare for the challenges they will face in becoming leaders. And, being aware of the inequalities allows women to know in which areas and industries they should seek larger roles. Overall, there is a lot of room for improvement, and it will be interesting to see how Massachusetts measures up in the future.

Introducing the Massachusetts Women's Leadership Index

The Massachusetts Women's Leadership Index (MWLI) was developed by the Institute for Women's Leadership at Nichols College to serve as an assessment of the status of women and power in the Commonwealth. This March 2015 release is the inaugural edition. In order 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, 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. This inaugural index resulted in a score of 36 for Massachusetts (out of a possible 100; methodology is outlined on page 4). The methodology is one that may be applied to other states in order to assess both current standings and progress over time. The MWLI will be recalculated in 2017 to assess progress.

A Unique Focus on Leadership

Given the increasing focus on gender issues in society and in business today, there are many sources for assessing women's representation and equality. However, what makes this Index unique is its singular focus on leadership as an indicator of power in society, specifically in Massachusetts. Certain measurements such as women in the workforce and professional positions were specifically excluded, not to diminish the importance of these statistics, but rather to provide a more accurate assessment of leadership. The rationale behind this focus on leadership is that decision-making positions such as CEOs, legislators, mayors, and police chiefs have impact on large constituencies across the state, with consequences for both the near-term and long into the future.

Why Measurement Matters

When assessing women's representation in leadership in virtually all categories nationwide and here in Massachusetts, it is clear that there is need for progress. Research shows that when women are involved in decision-making, outcomes such as financial performance and innovation improve.⁶ So increasing women's representation to parity is a goal that benefits all. Although there has been positive movement over the past few decades, it is important to periodically examine the status of women in power. Anecdotal and high-profile news stories, such as hearing about a new female CEO, can obscure reality. Drawing attention to areas needing further development provides knowledge and impetus for programs and policies that will help to get closer to parity representation. The purpose of the MWLI is to provide a baseline for future comparison, as well as to serve as a call to action for today.

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 36 was calculated (out of 100).

| Category | National | Massachusetts | Score |
|---|----------|---------------|---------------|
| Corporate leadership | | | |
| CEOs ⁷ | 4.8% | 3% | 0 |
| Board seats ⁸ | 19.2% | 14.9% | 1 |
| Executive officers ⁹ | 14.6% | 11.8% | 1 |
| Nonprofit leadership (including education) | | | |
| CEOs ¹⁰ | 17% | 20% | 5 |
| Board seats ¹¹ | 45% | 35% | 6 |
| Public leadership | | | |
| State legislature ¹² | 24.1% | 25% | 6 |
| Mayors ¹³ | 17.5% | 16.9% | 2 |
| Police chiefs ¹⁴ | 1.5% | 2.27% | 1 |
| Superintendents (public schools) ¹⁵ | 24% | 42% | 9 |
| Gender Pay Gap ¹⁶ | 78% | 82% | 5 |
| TOTAL | | | 36/100 |

Score calculation:

Parity (50%) or above: 10/10
 90-99.9% of parity: 9
 80-89.9% of parity: 8
 70-79.9% of parity: 7
 60-69.9% of parity: 6

50-59.9% of parity: 5
 40-49.9% of parity: 4
 30-39.9% of parity: 3
 20-29.9% of parity: 2
 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 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 salary 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: Where Does Massachusetts Stand?



Massachusetts Population¹⁷



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.

The Path to Progress, and Why It Matters

The Commonwealth of Massachusetts, along with the rest of the United States, has made significant strides in women's leadership in the past few decades. For example, in 1975, the Massachusetts State Legislature included only 5.7%¹⁸ women (now 25%), and the national gender wage gap was 58%¹⁹ (now 78%). However, as this Index indicates, there is still much progress to be made. With women representing 51.5% of the state's population,²⁰ and controlling a reported two-thirds of consumer spending nationally,²¹ it is logical that they be better represented in leadership positions. Every day, leaders in all sectors make decisions that impact women directly; it is vital that women have a more equal voice in these decisions.

Not only would greater female representation in leadership be more equitable, it would also positively impact organizations. Studies have shown that when more women hold leadership positions, organizations report higher return-on-investment.²² A recent study also showed that having female participation in teams results in greater innovation and improved teamwork.²³ In today's competitive landscape and knowledge economy, organizations would be well served to seek out all methods of gaining advantage, including increasing women's participation in decision-making roles.

While the path to progress is not simple or easy, there are encouraging signs and proven strategies. There is a widening understanding of the power of diversity in improving organizational outcomes; more organizations are implementing support networks and mentoring programs to strengthen the pipeline to leadership; and gender gaps are increasingly a part of public discourse. Although increase in women's representation in leadership has not been as swift nor steady as many would like, raising and maintaining awareness of the gaps is one way to ensure continued attention. Our goal with the MWLI is to contribute to the ongoing conversation in a meaningful and specific way.

Acknowledgements

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| Designer: | Patricia Korch, <i>Creative Director, Nichols College</i> |

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Endnotes

Effort was made to find exact equivalent measurements to compare Massachusetts to national statistics. Where that was not possible, explanation is made below.

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About Nichols College

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.



Institute for Women's Leadership

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