# Massachusetts Women's Leadership Index

March 2019 Release



**DEVELOPED AND PRESENTED BY:** 



### Reflections from...



#### President Susan West Engelkemeyer, Nichols College

At Nichols College, we believe leadership is an essential element of thriving organizations and society. Hence, it is at the core of our students' experience both in and out of the classroom. As part of this focus, we are pleased to publish the biennial Massachusetts Women's Leadership Index (MWLI). The 2019 MWLI release reveals an aggregate score of 40/100, just slightly ahead of 2017's score. On the one hand, we were certainly hoping for more movement. On the other hand, some significant progress in certain areas has been made. 2018 saw the enactment of the Equal Pay Act in Massachusetts, a terrific step towards closing the gender pay gap. 2018 also saw a record number of women elected to the U.S. Congress. These two examples are part of the combination of factors that we believe are necessary to continue to increase women's representation in leadership: policy and organizational change, public awareness, and cultural shifts. Another critical success factor is the education of future leaders, a challenge that we embrace and take seriously. We plan to continue doing our part to 'prepare both the female and male leaders of tomorrow to understand and harness the power of diversity.



#### Jean Beaupre, Lead Researcher

Through the process of researching and analyzing women's representation in leadership in Massachusetts since 2015, I have been in turn excited, encouraged, confounded, and frustrated. The 2019 MWLI release is no exception. Our calculation shows minimal overall movement since the 2017 Index, although it is promising to see an increase in women holding corporate board and congressional seats. If we believe that having more women in leadership is beneficial (and there is significant research that shows it is)<sup>1</sup>, then it is in our collective best interests to do what we can to keep the needle moving. It is continually surprising to me how challenging it is to find some statistics, underscoring the importance of tracking progress and bringing underrepresentation to light, such as with this Index. It is our hope that the MWLI will help further important conversations around women's representation in leadership.



#### Samantha Walther '20G, Research Intern

It was not until working in the Institute for Women's Leadership that I was able to see just how much the gender gaps in our society affect individuals first hand. Although this Index shows that strides were made to close the gender gaps in Massachusetts from 2015-2017, that increase has seemingly slowed since. It is necessary for leaders in all industries to recognize the need for gender diversity in top leadership positions. A plethora of research has suggested that leadership teams with some representation of women at the top often outperform majority-male leadership teams. 1 Thus, diverse leadership only drives success. As a woman who is beginning her professional career, I hope to bring awareness about these inequalities and be able to continuously advocate for females who seek leadership positions across all professional categories.

### The Massachusetts Women's Leadership Index: 2019 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 in 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, 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. 2019 marks the third release of the MWLI. In addition to providing a current snapshot, this release also includes comparison to the 2015 and 2017 indexes.

### Focused on Leadership

The goal of the MWLI is to contribute to discussions about the role of gender in organizations and society, which we do by focusing specifically on women's representation in the upper echelons of leadership. The categories included in the MWLI - corporate, nonprofit, public, and gender wage gap - represent the opportunity for power and decision-making that affect organizations and society in both the long- and short-term. Leadership is about influence, and the potential impact that leaders in these sectors can have in the Commonwealth is immense. It is for this reason that the MWLI is specifically focused on leadership with the goal of assessing changes in women's representation in leadership over time.

### Measurement Matters

In the aggregate, in nearly all categories in all industries, women are underrepresented in leadership roles. However, there are of course some organizations where women are at or near parity representation. Although these situations are encouraging, they are not widespread. Complacency is a hazard and there is potential for stalling or reversing growth. Another fear is tokenism, or the perception that having a small number of women in executive ranks or on a board signals an achievement of diversity. Therefore, continual monitoring and assessment are vital.

It is equally important to maintain focus on why diversity in leadership matters. Research continues to document the benefits of diversity which include improved financial outcomes, increased social responsibility, higher employee engagement, and innovation. The MWLI aims to contribute to this consequential conversation by providing a concise, ongoing assessment of the representation of women in leadership. It is our hope that parity will be reached, and this index and similar assessments will become unnecessary vestiges of a past era.

### **Findings**

A variety of key indicators of leadership in Massachusetts in business, nonprofit, public, and educational sectors, were assessed. After comparing women's representation in these leadership positions to both parity and the national averages, a composite score of 40 of 100 was calculated. This score is just one point higher than the 2017 score of 39; in 2015, the score was 36.

Category	National	Massachusetts	2019	2017	2015
Corporate leadership					
CEOs <sup>2</sup>	4.8%	4%	0	1	0
Board seats <sup>3</sup>	21.2%	21%	4	2	1
Executive officers <sup>4</sup>	12.1%	13.4%	3	1	1
Nonprofit leadership (including	education)				
CEOs <sup>5</sup>	22%	24%	5	5	5
Board seats <sup>6</sup>	47%	35%	6	6	6
Public leadership					
State legislature <sup>7</sup>	28.9%	28.5%	5	6	6
Mayors <sup>8</sup>	21.37%	21.27%	4	5	2
Police chiefs <sup>9</sup>	3%	2.9%	0	0	1
Superintendents (public schools) <sup>10</sup>	26.8%	38%	8	8	9
Gender Wage Gap <sup>11</sup>	80%	83%	5	5	5
		TOTAL	40/100	39/100	36/100

#### Score calculation (based on % of women):

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Parity (50%) or above: 10/10	25-29.9%: 5	96-100%: 10
45-49.9%: 9	20-24.9%: 4	91-95.9%: 8
40-44.9%: 8	15-19.9%: 3	86-90.9%: 6
35-39.9%: 7	10-14.9%: 2	81-85.9%: 4
30-34.9%: 6	5-9.9%: 1	76-80.9%: 2
	Less than 5%: 0	<75%: O

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

Maximum score in each category: 10/Minimum: 0

Pay gap calculation:

### Methodology

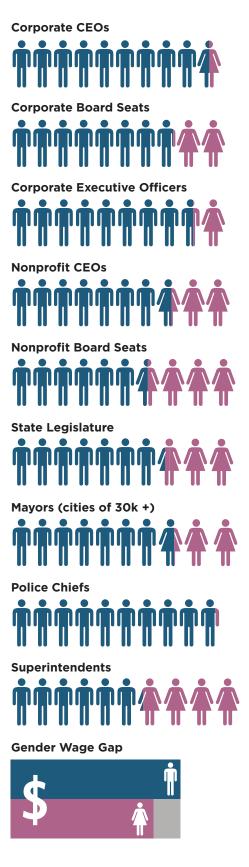
The statistics above reflect women's representation in leadership positions across multiple sectors, using the most recent and credible information available. Each statistic was measured against similar statistics for men, and then compared to parity (the ultimate goal) as well as the national average. (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 Slight Progress



Source: U.S. Census, 2018





See previous page for detailed statistics.

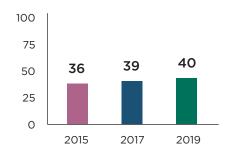
### Stalled Progress, but Optimistic for the Future

In the late 20th century, significant progress for women was achieved. Yet in the 21st century and in this index, we are seeing a noteworthy slowdown. At the current rate of change, women will not reach parity in wages until the next century. Further, it could be more than a century before women have equal representation in U.S. Congress. On a global scale, the World Economic Forum predicts that gender gaps worldwide will not close for another 200 years.<sup>12</sup> Although anti-discrimination laws are in place, many barriers still exist for women. Currently, the most significant barrier is implicit bias, or behaviors driven by subconscious attitudes and stereotypes. Although women have been shown to be as effective as men as leaders, both women and men still view leadership as more of a male domain. 13 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. 14 One reason may be the reputational price that women pay when expressing their ambitions.<sup>15</sup> Self-confidence and societal expectations are also integral here. A recent study showed that children as young as six years old see men as being more intelligent than women, 16 and women consistently underestimate their abilities while men have been shown to overestimate theirs.<sup>17</sup> Further, women still spend significantly more hours on average on housework and childcare than men. 18

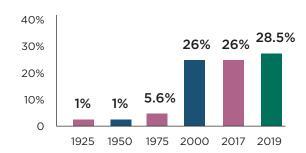
With so many complex and societally entrenched issues at play here, how can we ensure that progress does not stall? The first step is awareness, a goal to which the MWLI aims to contribute by succinctly expressing women's representation in leadership positions in Massachusetts. Further, it is important 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.<sup>1</sup> The next step is action, implementing policies and programs that even the playing field, educate both men and women, and provide development opportunities. For example, as previously mentioned, Massachusetts and 12 other states have implemented legislation that outlaws questions about salary history.<sup>19</sup> On the corporate side, companies like Accenture and Diageo are leading the way by setting and working towards diversity goals in their workforce.<sup>20</sup> Finally, institutions of higher education like Nichols College have the unique privilege of helping to prepare the next generation of leaders through coursework and programs such as negotiation workshops and issue roundtables.

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 iwl@nichols.edu or 508-213-2443.

### MWLI, 2015-2019

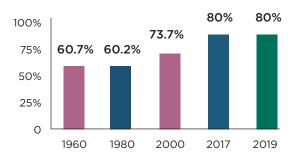


### Women in MA Legislature, 1925-present



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



Rachel Ferreira, Director of the IWL

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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Institute for Women's Leadership

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## Institute for Women's Leadership

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