



2021 Gender and Racial Wage Gap Data Analysis

EXECUTIVE SUMMARY

The 2021 gender wage gap in Greater Boston remains at 30¢; women on average were paid 70¢ for every dollar earned by a man. This is the same gender wage gap the Boston Women's Workforce Council identified in its 2019 analysis of 100% Talent Compact Signer payroll data.

Reasons for future optimism exist, however, even with persistence of the wage gap.

- The fact that the gender wage gap did not change in Greater Boston is a testament to the creative energy our Compact Signers harnessed to keep their workforce employed during the global pandemic. For months, labor economists predicted a narrowing of the gender wage gap due to low wage-earning women dropping out of the workforce. Data from our Compact Signers do not support that theory.
- Salaries increased by 12% for all workers despite the stresses of the pandemic.
- Commitment by Compact Signer employers to close gender and racial wage gaps is stronger than ever with more Signers contributing their data in 2021 compared to 2019. This report now includes approximately 156,000 workers, roughly 14% of the Greater Boston workforce.
- The 2021 racial wage gap decreased slightly to 24¢ from 25¢ in 2019.
- Asian and American Indian/Alaskan Native women both experienced a narrowing of their gender and racial wage gaps in 2021 to 30¢. In 2019, the gap for Asian women was 33¢ and 32¢ for American Indian/Alaskan Native women.

These data also indicate that we still have tremendous work to do to close the gender and racial wage gaps in Greater Boston.

- Black/African American and Hispanic/Latina women continued to have the highest gender and racial wage gaps of 51¢ and 55¢, respectively.
- In only two of eight job categories, Laborers and Administrative Support Workers, did women earn roughly the same as men. Job categories are defined by the US Equal Employment Opportunity Commission (EEOC).¹
- Women earned 31¢ for each dollar of cash performance pay men earned.
- The two industries with the largest percentage of women in their workforce—Nonprofit (excluded hospitals, which reported in the Health Care category) and Professional Services—also showed the widest gender wage gaps at 39¢ and 32¢, respectively.

¹"Summary_EEOC_Job Categories," n.d.

KEY TERMS

Annual Compensation

W-2 earnings for 2020 inclusive of base and overtime pay, as of December 31, 2020

Performance Pay

Any type of cash bonus paid out in 2020, regardless of when earned and included in W-2 earnings for 2020

Total Compensation

Combination of annual compensation and performance pay

Tenure

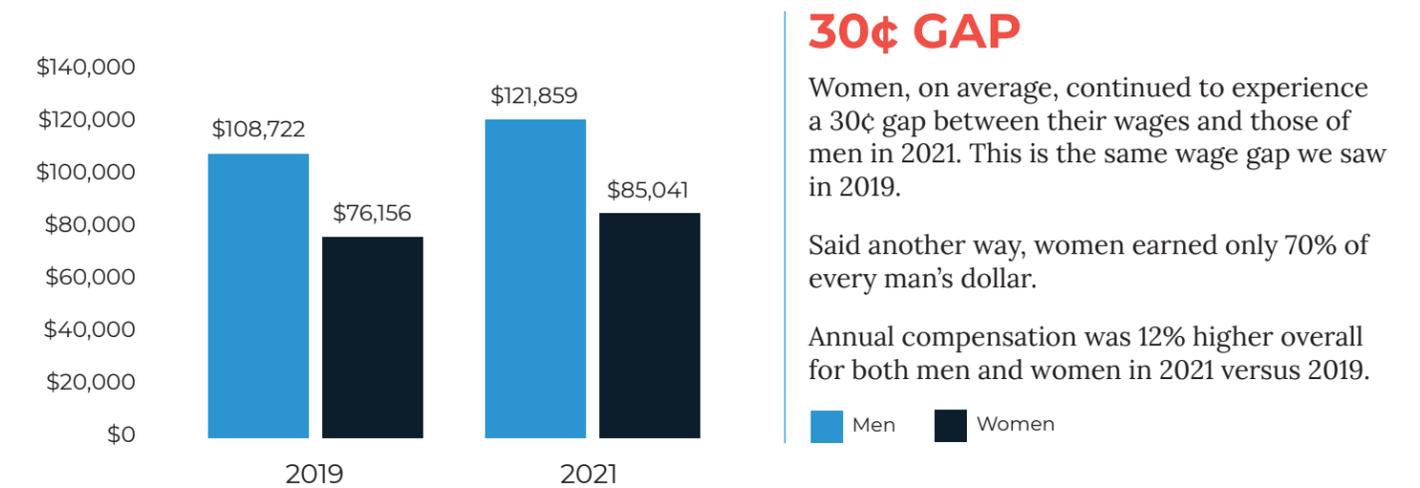
Years between employee's start date with company and December 31, 2020

EEOC Racial Categories	Abbreviations
White	White
Asian	Asian
American Indian/Alaskan Native	Am. Indian/AK Native
Unreported	Unreported
Native Hawaiian or Pacific Islander	Native HI/PI
Two or More Races	Two or More
Black/African American	Black/AA
Hispanic/Latinx	Hispanic/Latinx

2021 GENDER WAGE GAP

Definition: Difference between the average compensation for working women and men.

ANNUAL COMPENSATION BY GENDER | Figure 1

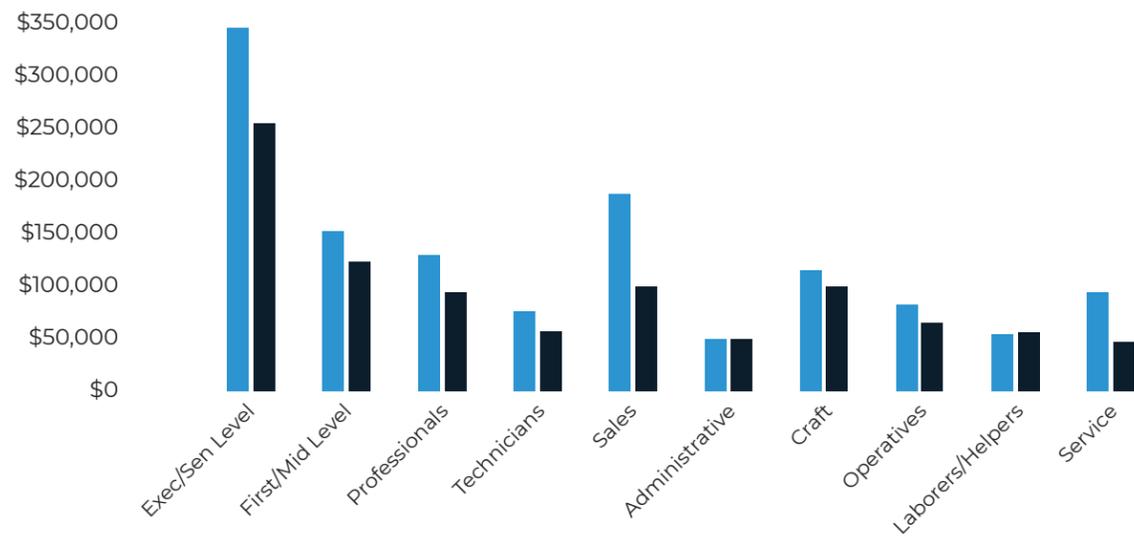


TOTAL COMPENSATION INCLUDING PERFORMANCE PAY | Figure 2



2021 GENDER WAGE GAP

ANNUAL COMPENSATION BY JOB CATEGORY | Figure 3



The gender wage gap varied by job category with only male and female Laborers/Helpers and Administrative Support Workers averaging roughly pay equity. In every other job category, men outearned women.

■ Men ■ Women

2021 GENDER WAGE GAP

WAGE GAPS BY JOB CATEGORY | Figure 4

Job Category	2019 Gender Wage Gap	2021 Gender Wage Gap
Executives	30¢	26¢
First/Mid-Levels	20¢	18¢
Professionals	26¢	27¢
Technicians	23¢	25¢
Sales Workers	25¢	46¢
Administrative Support	no wage gap	1¢
Craft Workers	18¢	13¢
Operatives	7¢	22¢
Laborers/Helpers	26¢	no wage gap
Service Workers	55¢	50¢

The largest gender wage gaps this year were among Sales Workers and Service Workers. Female Service Workers continued to experience the highest overall gender wage gap of any job category at 50¢, although it did decrease from the 2019 gap of 55¢.

Shifts Since 2019

Wage Gap Decreases

Laborers/Helpers was the only job category that paid women 2¢ more on every \$1.00 earned by a man. This was a big difference from 2019 when female Laborers/Helpers earned 26¢ less to every man's dollar. Not as dramatic, but still noteworthy, were wage gap decreases in the job categories of Craft Workers, Mid-Levels, Service Workers and Executives. This was particularly good news for female Executives since this job category ranked as the one with the second largest gender wage gap in 2019.

Female Administrative Support Workers were close to pay equity at 99¢, but this is a drop from 2019 where they earned 2¢ more on every man's earned \$1.00.

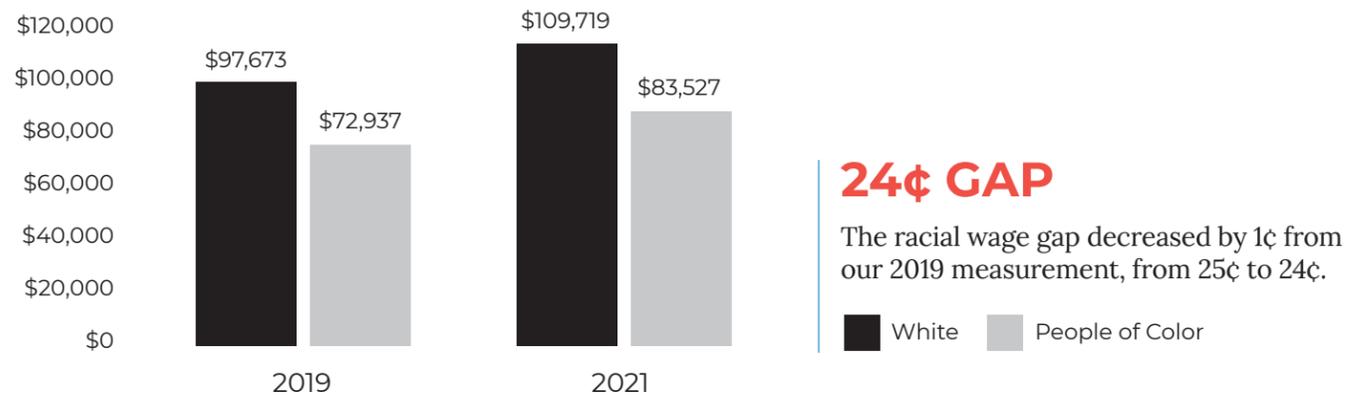
Wage Gap Increases

Sales Workers and Operatives saw the most dramatic gender wage gap increase from 2019 to 2021, increasing from 25¢ to 46¢ and from 7¢ to 22¢, respectively.

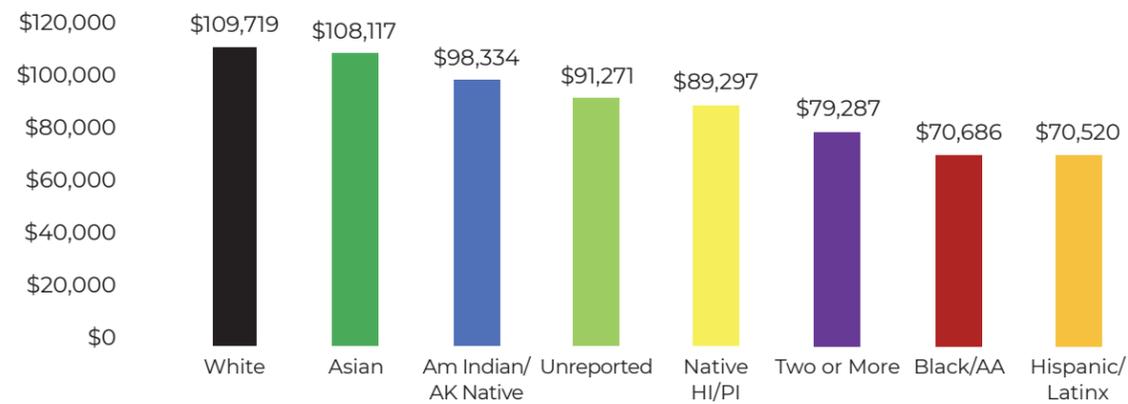
2021 RACIAL WAGE GAP

Definition: Difference between the average compensation for all white employees and employees of color

ANNUAL COMPENSATION | Figure 5



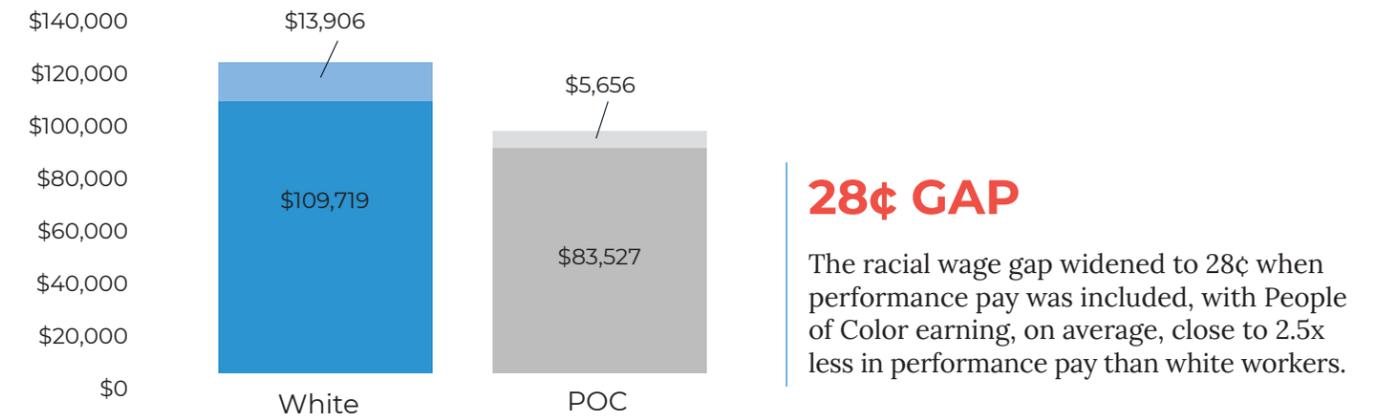
ANNUAL COMPENSATION BY RACE | Figure 6



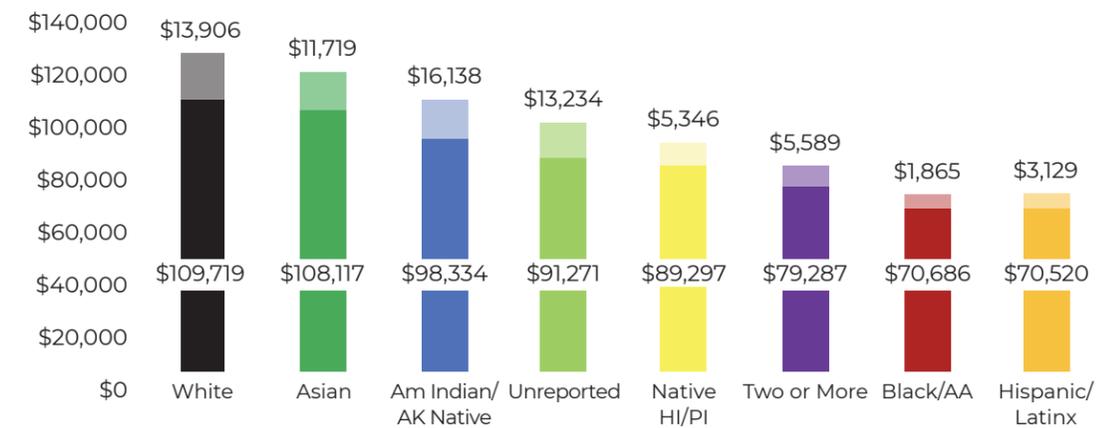
Black/African American and Hispanic/Latinx employees averaged the lowest annual compensation among all racial groups.

2021 RACIAL WAGE GAP

TOTAL COMPENSATION INCLUDING PERFORMANCE PAY | Figure 7



TOTAL COMPENSATION INCLUDING PERFORMANCE PAY BY RACE | Figure 8

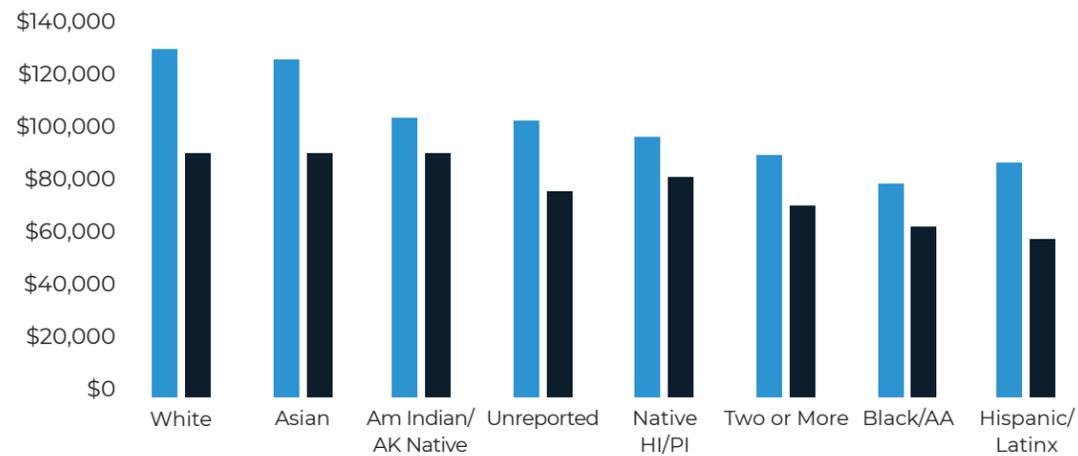


The rank order of total compensation by racial group changed when including performance pay, with Black/African American employees earning less than Hispanic/Latinx employees.

2021 GENDER AND RACIAL WAGE GAP

Definition: Difference between the average compensation of women by specific race versus white men

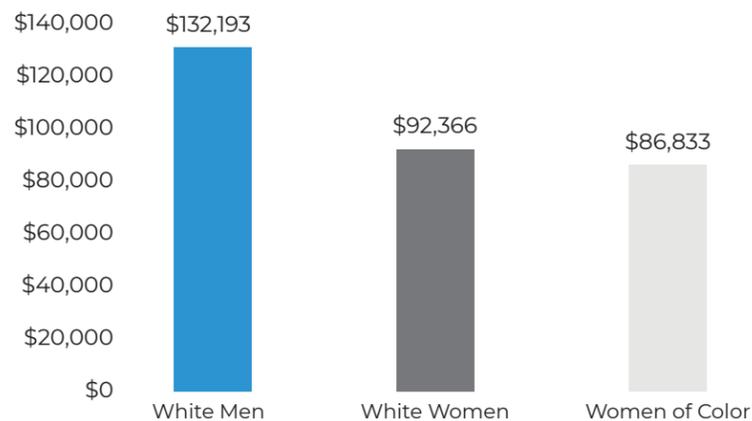
ANNUAL COMPENSATION BY GENDER AND RACE | Figure 9



Women earned less than men in all racial groups.

Men Women

ANNUAL COMPENSATION BY GENDER AND RACE | Figure 10



In comparison to white men, however, women of color, on average, experienced larger gender and racial wage gaps—at 35¢—than white women who were at 30¢.

2021 GENDER AND RACIAL WAGE GAP

GENDER WAGE GAPS BY RACE | Figure 11

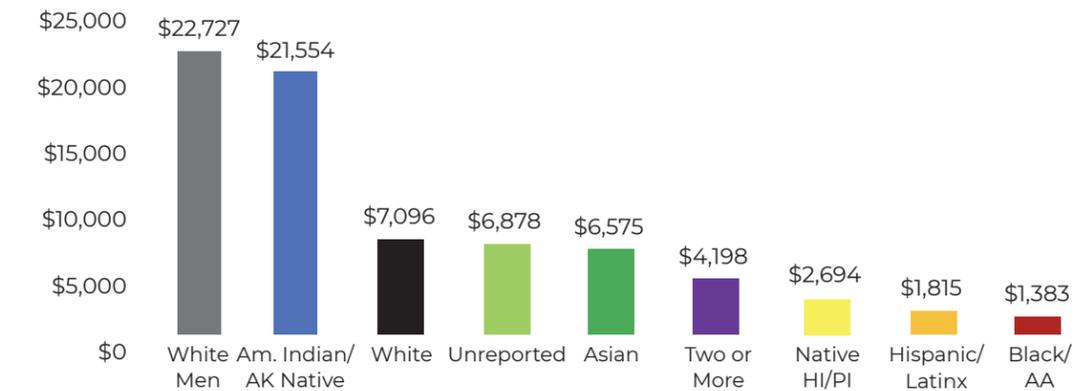
Wage gap narrowed Wage gap stayed the same Wage gap widened

Race	2019 Gender/Racial Wage Gap	2021 Gender/Racial Wage Gap
Asian	33¢	30¢
American Indian/Alaskan Native	32¢	30¢
Native Hawaiian/Pacific Islander	42¢	37¢
White	30¢	30¢
Black/African American	51¢	51¢
Hispanic/Latina	55¢	55¢
Two or More Races	41¢	45¢

When broken down by race, we did see some closing of the gender and racial wage gap. Asian and American Indian/Alaskan Native women both joined white women at an average gap of 30¢ in 2021; whereas in 2019, the gap for Asian women was 33¢ and for American Indian/Alaskan Native women it was 32¢.

Black/African American and Hispanic/Latina women did not experience a closing of the gender and racial wage gap. As in 2019, the average gap for these two groups remained at 51¢ and 55¢, respectively.

PERFORMANCE PAY FOR WOMEN BY RACE | Figure 12



The difference in performance pay by gender and race was stark. Black/African American and Hispanic/Latina women earned approximately 7¢ to a white man's bonus dollar, the same as in 2019.

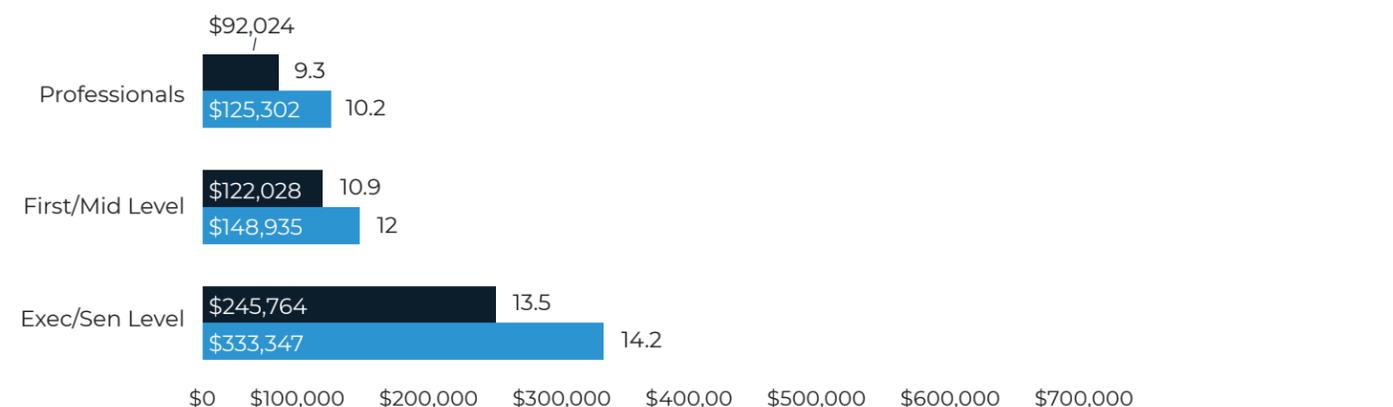
In relation to white women, Black/African American and Hispanic/Latina women earn four to five times less in performance pay. Advancing Black/African American and Hispanic/Latina women to more senior jobs could be one way to close this gap.

TENURE AND INDUSTRY

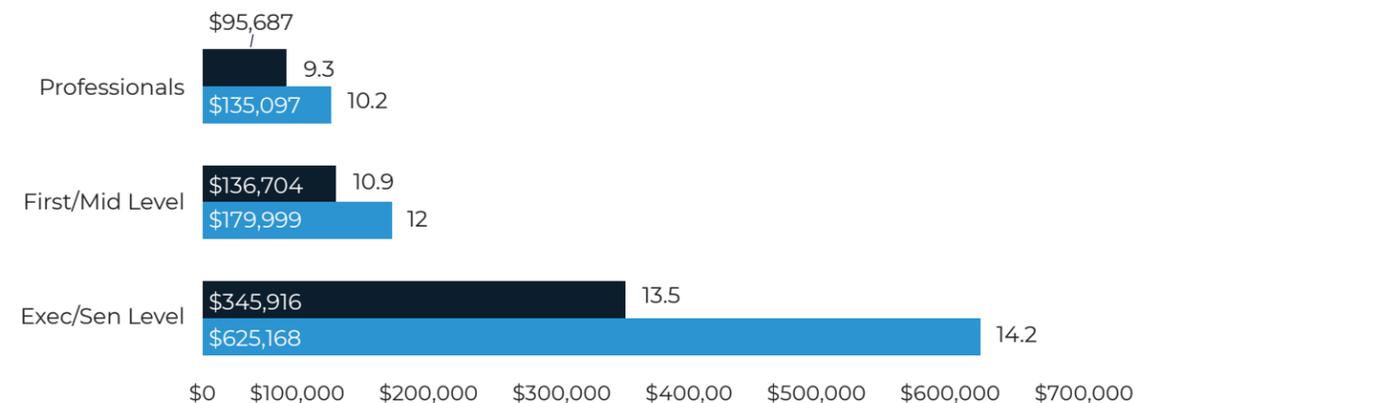
Tenure

Our Compact Signer data include the length of time individuals were employed at reporting companies. Overall, men had a little more than 2.5 years of tenure than women. In certain job categories, however, tenure was very similar, but levels of compensation were strikingly different.

ANNUAL COMPENSATION BY JOB CATEGORY WITH TENURE (IN YEARS) | Figure 13



TOTAL COMPENSATION BY JOB CATEGORY WITH TENURE (IN YEARS) | Figure 14



We saw this difference most dramatically in the Executive job category where the tenure difference between men and women was small at approximately 8 months more for men, but the difference in annual compensation was large with female Executives, on average, earning almost \$90,000 less. This difference became even greater when performance pay was added to the mix at a gap of almost \$280,000.

Men \$ Women \$

TENURE AND INDUSTRY

Industry

Current confidentiality protocol required at least eight reporting companies in one industry for that specific cohort/industry to be part of the data analysis. This represented 46% of all employee records submitted by Compact Signers.

WAGE GAPS BY INDUSTRY | Figure 15

Industry	% Women	Women's Earnings vs. Men's \$1.00	Gender Wage Gap
Nonprofit	58%	61¢	39¢
Professional Services	64%	68¢	32¢
Info/Tech	41%	74¢	26¢
Public Sector	49%	75¢	25¢
Finance	49%	77¢	23¢
Manufacturing, Construction, Utilities	25%	81¢	19¢

Women made up 58% of the Nonprofit industry in our sample and experienced a gender wage gap of 39¢. Professional Services consisted of 64% women and saw a gender wage gap of 32¢.

Financial Services tied for third in terms of percentage of women at 49% but had the second lowest gender wage gap at 23¢. The lowest wage gap was in the Manufacturing, Construction, and Utilities industry at 19¢.

APPENDIX

Methodology

Part of the commitment employers make when signing the 100% Talent Compact is to anonymously report data for their full-time employees to the BWWC biennially. Compact Signers submit their aggregated employee data using a unique web-based software program that employs encryption utilized by the BWWC's data partner, the Rafik B. Hariri Institute for Computing and Computational Science & Engineering at Boston University.

Employee data submitted by reporting organizations used the Equal Employment Opportunity Component 1 (EEO-1 form) job categories required for federal reporting. The data, therefore, reported to the BWWC mirrored data required for federal reporting under the rules of the EEOC.

The BWWC provided training for Compact Signers during April 2021 prior to data submission in May. The data collected included all full-time employees on payroll at an organization as of December 31, 2020.

Within each job category, employers were asked to provide:

- Gender
- Race/Ethnicity
- Tenure
- Annual Compensation (base pay and overtime)
- Performance Pay (cash only)

Since reporting organizations may differ among reports, year-to-year comparisons can be made only at a high level. The strict protocols we observe to secure confidentiality would need to be changed to mine the data more granularly.

The BWWC recruits Compact Signers with offices located within the Interstate 495 beltway surrounding the city of Boston.

Greater Boston demographics,² used as comparison against our data set, were derived from translating 2018 EEOC county level information into zip codes falling within Interstate 495. In total, these zip codes covered 97% of the population within Essex, Middlesex, Plymouth, Norfolk, and Suffolk counties.

Current confidentiality protocol required at least eight reporting companies in one industry for that specific cohort/industry to be part of the data analysis. This represented 46% of all employee records submitted by Compact Signers.

The cohorts excluded were Health Care, Education, Administrative Services, Marketing/Media, Legal Services, Biotech/Pharma and Real Estate. Continued recruiting of more Compact Signers in these areas should help us expand our industry data in coming years.

² <https://www.eeoc.gov/statistics/employment>
EEOC data for Boston counties do not list Executives or Laborers and Helpers due to "privacy issues."

APPENDIX

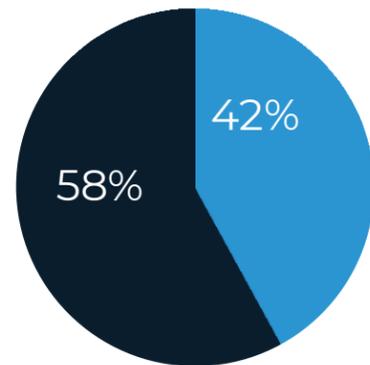
NUMBER OF COMPACT SIGNER PARTICIPANTS 2019 VS. 2021 | Figure 16

Year	# of Employers	Total Employees
2019	123	136,437
2021	134	155,925

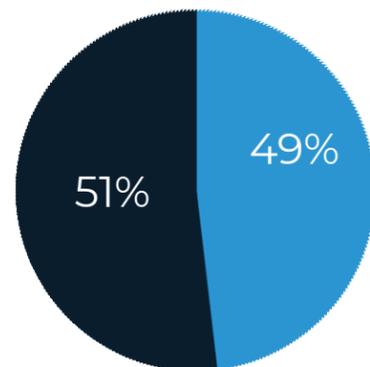
Compact Signer participation in data collection increased by 9% from 2019 to 2021. This growth resulted in a 14% increase in total employee records and now covers approximately 13.5% of the Greater Boston workforce according to data from the EEOC.

DEMOGRAPHICS OF REPORTING COMPACT SIGNERS

GENDER BREAKDOWN OF 100% TALENT COMPACT DATA SET | Figure 17



GENDER BREAKDOWN OF GREATER BOSTON WORKFORCE | Figure 18

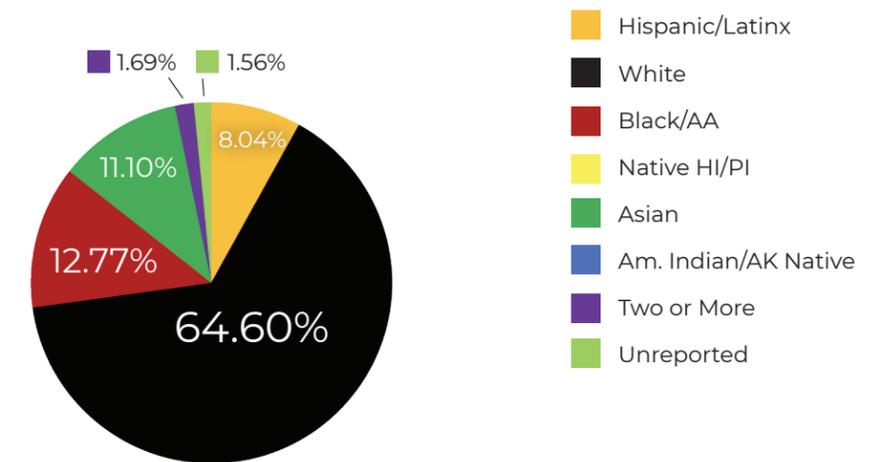


As in past reports, the 2021 Compact Signer data set was skewed by gender with 58% women and 42% men. The gender breakdown of the Greater Boston workforce as reflected in the 2018 EEOC data was more balanced at 51% women and 49% men.

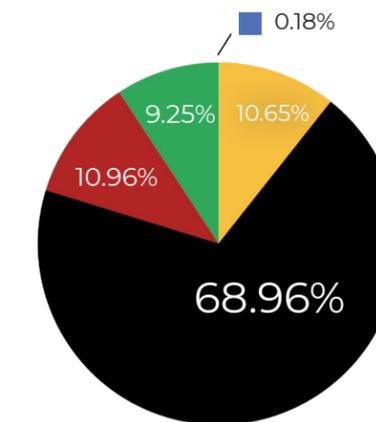
Men Women

DEMOGRAPHICS OF REPORTING COMPACT SIGNERS

RACIAL BREAKDOWN OF 100% TALENT COMPACT DATA SET | Figure 19



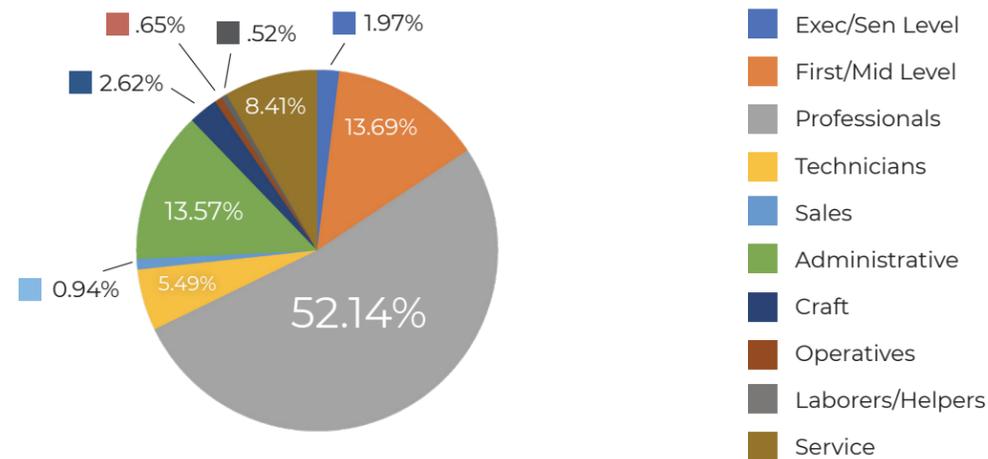
RACIAL BREAKDOWN OF GREATER BOSTON | Figure 20



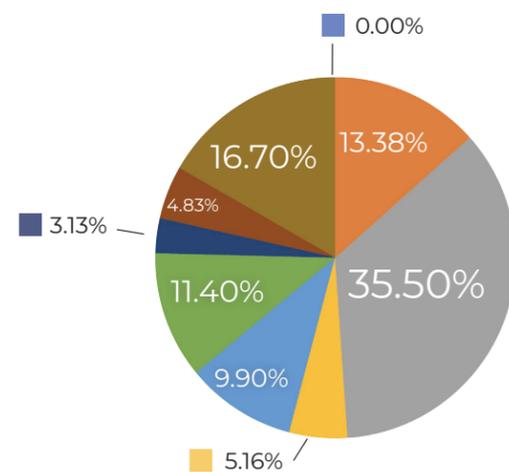
Overall, the racial breakdown of our data set was very similar to that of the Greater Boston workforce. Note that the 2018 Greater Boston data source did not include data for certain racial categories.³

DEMOGRAPHICS OF REPORTING COMPACT SIGNERS

EMPLOYEES BY JOB CATEGORY IN 100% TALENT COMPACT DATA SET | Figure 21



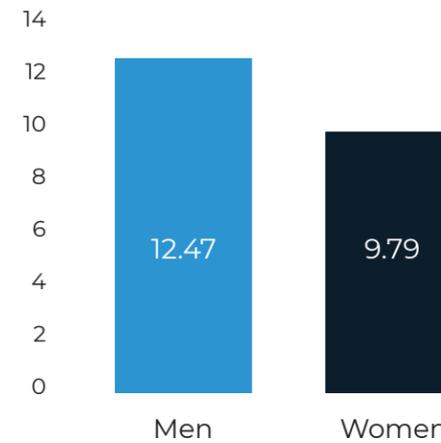
EMPLOYEES BY JOB CATEGORY IN GREATER BOSTON | Figure 22



Our sample has more employees in the Professionals job category and fewer Sales and Service Workers than Greater Boston as a whole.²

DEMOGRAPHICS OF REPORTING COMPACT SIGNERS

TENURE OF SAMPLE BY GENDER IN YEARS | Figure 23



Men, on average, had a few more years of tenure than women in the Compact Signer data set.

CALCULATIONS

Figure 1

2019: $\$76,156 / \$108,722 = 70\% = 30\text{c wage gap}$

2021: $\$85,041 / \$121,859 = 70\% = 30\text{c wage gap}$

Figure 2

$90,776 / \$140,326 = 64.7\% = 35\text{c wage gap}$

Figure 5

2019: $\$72,937 / \$97,673 = 74.7\% = 25\text{c wage gap}$

2021: $\$83,527 / \$109,719 = 76.1\% = 24\text{c wage gap}$

Figure 7

$\$89,183 / \$123,625 = 72.1\% = 28\text{c wage gap}$