



Getting Fair Pay with Fair Play

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It's no wonder that the number of women-owned businesses is on the rise with the wage gap many women face in the workforce.

According to the Center for Women's Business Research, an estimated 47.7 percent (10.6 million) of all privately-held businesses in the U.S. were 50 percent or more owned by women. These firms generated \$2.46 trillion in sales and employ 19.1 million people across the country.

On the other hand, for women who don't own their own business, you're quite the bargain for many companies! Did you know that employing women can increase a company's revenues, profits and market share, as studies show women were still being paid 20 percent less than their male peers last year.

Whether you are an individual working woman, manager or employer, take care of yourself and other women by setting up systems for equal pay for female employees. While it may seem this way, the reality is that pay equity is not a women's issue. It's a global economic issue. The less a woman makes, the less she and her family have to spend. It's time we close the earnings gap!

Unfortunately, studies show that the gap is widening. In November 2003, a comprehensive governmental study showed that the gap between men's and women's earnings has stubbornly persisted over the past two decades, even when accounting for employment and demographic factors.

In addition, according to the National Committee on Pay Equity (NCPE), the gap between median earnings workers widened last year, with women's earnings 76 percent of men's. This is down from 77 percent in 2002.

Furthermore, according to a Business and Professional Women's Foundation/American Management Association study on compensation and benefits, women are less likely than men to receive additional compensation in forms other than salary, such as performance bonuses, stock options and profit sharing.

This wage disparity results in a significant salary deficit over time. The Business and Professional Women/USA says that over a working lifetime, this wage disparity costs the average American woman and her family an estimated \$500,000 in lost wages.

So, what are the causes of a wage gap? The following are the top 10 reasons issued by the NCPE:

1. Wage secrecy hurts women
2. Suing is not a practical remedy
3. When you take home less, you'll stay home more
4. Even if they're equal in value, women's jobs pay less
5. Market forces are not eliminating discrimination
6. Discrimination is intangible, but it's there
7. Old stereotypes die hard
8. Not all jobs are open to women
9. Companies fail to address unfair or haphazard pay practices
10. Current laws are not strong enough

No matter how discouraged you may feel, don't lose hope over this issue. Through working together, we can all help eliminate the disparity in income wages. First and foremost, don't forget about the value women bring to the workplace and what is already being done to shape the future for pay equity. Getting frustrated and walking away will only increase chances for an even greater gap.

To further prove this point, Catalyst, a research and advisory organization working to advance women in business, conducted a study of more than 350 Fortune 500 companies and found that the companies with the highest representation of women on their senior management teams had a 35 percent higher return on equity than companies with the lowest women's representation.

Similarly, a study conducted by the American Management Association compared all-male senior management teams to mixed-gender senior management teams and found women made a significant positive difference to the financial results of the company, including improved gross sales revenues, improved market share and overall improved net operating profits.

So what are some things we can do to achieve pay equity?

If you are an individual working woman, establish an open dialogue with your employer about your fair wage expectations. Sharpen your negotiation skills and prepare to confidently discuss your salary requirements. Also, become an advocate by writing to your state and federal elected officials about fair pay. Learn about any current legislation regarding this issue and let your elected officials know where you stand. As a constituent, you have a powerful voice.

As an employer or business owner, it makes good business sense to attract, advance and retain women. One way to help improve your company's bottom line or promote a

workforce that feels valued is to use the 10-step guide for fair pay practices at www.pay-equity.org.

Establishing equal compensation is a win-win for everyone. Not only will companies be attracting, advancing and retaining top professional women, but women will be fairly compensated for the same work being completed by their male counterparts.

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