



NICOLE ARMSTRONG
Queen City Certified

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Salary History Ban:
A Local Perspective

First, Context



Is This Really an Issue?

McKinsey & Company found that men are often hired and promoted based on their potential, while women are hired and promoted based on their track record

As a result, women are less likely to be hired into entry-level jobs

Is This Really an Issue?

A study from the American University of Women found that women get paid **6.6% less** than their male counterparts in their first jobs—even when controlling for demographics, occupation, college major, hours worked, and location.

Is This Really an Issue?

Hired, a marketplace for tech talent, analyzed 100,000 job offers from 3,000 companies and found that **men got higher salary offers** than women for the same job titles at the same companies **69% of the time.**

Is This Really an Issue?

Cornell University found that women with children are perceived as less competent than women without children, **offered lower starting salaries**, and considered less suitable for future promotions. Men, on the other hand, experience a “fatherhood bonus”—dads are seen as more committed to their job and offered higher salaries than men without children

Employee Behavior

A Harvard Business Review study used sensors to see if men and women behave differently in the workplace

They found **no perceptible differences**—women had the same number of contacts as men, spent the same amount of time with senior leadership, and allocated their time in the same way as men

Employee Behavior

McKinsey & Company found that women ask for promotions and raises at the same rates as men

And yet, women continue to be underrepresented in leadership, receive lower salaries, and are less likely to receive a promotion early on in their careers

Women's actions in the workplace aren't different than men's, they are just perceived differently

Employer-led Efforts

Employers spend **\$8 billion a year** on diversity trainings in the United States alone.

Yet, as of April 2017, McKinsey & Company **could not find one study** that demonstrates that diversity trainings lead to more diversity in the workplace.

We will not achieve equality in the workplace if we rely solely on changing mindsets

Bias is to Blame

Bias, not behavior, is responsible for holding women and minorities back

The only way to address gender and race pay disparities is to **implement policies and practices that interrupt bias**

Our Approach

Queen City Certified relies on research and data-driven strategies to interrupt bias

The salary history ban forces employers to evaluate the worth of a role itself rather than the person filling it — the qualifications, skills, etc. needed to succeed and their market value

We also encourage employers to set a pay range for each role—and make them available to candidates

Salary History Ban In Practice



A Local Perspective

60% of the organizations that have participated in Queen City Certified do not ask about previous salary history, suggesting that this is quickly becoming a best practice

A Local Perspective

7 local employers, representing ~860 employees, opted into a gender/race pay audit in our last cohort

- All 7 employers have a salary history ban currently in place
- We found **no gender or race pay disparities**

While a small sample, this is a significant finding given The Women's Fund and UC Economics Center found pay disparities in our region in every occupational group

Employer Perspective

“We don’t believe previous wage information is useful or relevant. The question that matters to us is what salary range the applicant desires. If the previous employer discriminated in wages, then using the previous wage as a base perpetuates the discrimination.”

David Howard

Chief Human Resources Officer

Children’s Home of Northern Kentucky

Employer Perspective

“We see this approach as a best practice for employers to follow, and while we know many organizations may already do this, and HR professionals agree in its merits, more official legislation is required to help level the playing field for all.”

Jeff Walton

Human Resources Director
Cincinnati Zoo & Botanical Garden

Good for People +
Good for Business



The Cost of Inequity

Equal pay would add an additional **\$512.6 billion** to the US economy

The Cost of Inequity

According to a 2018 Deloitte survey, **only 47%** of millennials believe business leaders are committed to helping improve society

24% are personally concerned with **income inequality**

Roughly two-thirds of millennials and Gen Z respondents not only believe leaders simply pay “lip service” to diversity and inclusion, they also believe that **only formal legislation can adequately advance workplace diversity**

The Cost of Inequity

We can all agree that we want to attract and retain top talent in our region

Maybe the question is not “What is the risk of passing this ordinance? But rather, **“What is the risk of not passing this ordinance?”**



Thank You