

Pay Up for Progress

Frequently Asked Questions

What's Unbounce's Pay Up for Progress initiative all about?

Unbounce launched Pay Up for Progress on September 28, 2020. The initiative is designed to support companies as they prioritize and reach gender pay parity within their organizations.

Today, most companies know the gender pay gap exists and want to take steps to minimize it, but it can be tough to know where to begin. What's more, we recognize it's challenging to resource the work necessary to analyze and close the gap among competing business priorities.

Pay Up for Progress asks companies to pledge to prioritize equal pay, like they would any other business priority. Pledged companies will receive a toolkit of resources to help build the policies and procedures needed to conduct a gender pay parity assessment. They'll also get support from fellow pledged companies and partners as they solidify a plan of action to address findings from the pay parity assessment at their organization.

Why is Unbounce leading the initiative?

At Unbounce we're committed to diversity, equity, and inclusion in the tech industry and beyond. Research shows that companies that prioritize pay parity see increased productivity, better employee engagement, and lower turnover¹. We recognize that we have a lot of work left to do to address the many facets of diversity and inclusion at Unbounce, but we're proud of the strides we have made to address gender diversity in particular, to date. This initiative is our way to share what we've learned and make it accessible to our peers.

We recently completed a gender pay parity assessment with results revealing that gender is not a factor in determining salary at Unbounce. And our work has just begun—we are committed to continual reassessment as we grow and transform. Throughout our journey, we noted major resources and learnings to include in a toolkit for other teams to use in their own assessments. We're far from perfect, but we're doing our best to inspire action from our peers and help others prioritize this important issue.



What is the difference between 'equal pay', 'pay parity' and 'pay equity'?

There are different ways to define pay parity, and how it is defined sets the foundation for the rest of the work done. Unbounce has defined pay parity and equal pay in the same way, which is: self-identifying women and self-identifying men, in the same job and location, being paid fairly, relative to one another.

This is slightly different from the term "pay equity" which is defined as equal pay for work of equal value, where work does not necessarily need to mean the same job. For example, ensuring equal pay for an occupation dominantly filled by self-identifying females and an occupation dominantly filled by self-identifying males, based on levels of skill, effort, responsibility and working conditions involved in doing the work. Pay equity is a broader analysis that goes beyond the scope of what one company can choose to control, and therefore is not a focus of this toolkit and pledge.

We know that gender is not binary and should never be assumed, so employees should have the opportunity to self-identify in the data used for a pay parity analysis at your company.

How does equal pay differ for different groups of women?

Equal Pay Day is different for different women, as the pay gap is larger for women who face multiple forms of discrimination, such as women of colour, trans women and women living with a disability. While it is difficult to find data for the adjusted pay gap for each group, the discrepancy is evident by looking at the unadjusted pay gap. While the overall wage gap for Canadian women is approximately 13%, according to data from the 2016 Canadian census:

- Indigenous women working full-time, full year earn an average of 35% less than non-Indigenous men, earning 65 cents to the dollar.
- Racialized women working full-time, full-year earn an average of 33% less than non-racialized men, earning 67 cents to the dollar.
- Newcomer women working full-time, full-year earn an average of 29% less than non-newcomer men, earning 71 cents to the dollar.

According to the 2012 Canadian Survey on Disability, women living with a disability in Canada working full- and part-time earn approximately 54 cents to the dollar when compared to the earnings of non-disabled men, equaling a pay gap of around 46%.

And for trans women, the issue is often being able to overcome barriers to finding and maintaining employment in the first place. According to the widely cited 2011 Trans PULSE survey conducted by Toronto's Sherbourne Health Centre, only 37% of respondents were employed full-time. The same survey found that approximately half of transgender individuals earn \$15,000 or less per year, even though 71% have some level of post-secondary education. The employment and pay parity challenges faced by transgender individuals is further evidenced by the National Transgender Discrimination Survey in the U.S. which found that trans people experience double the rate of unemployment compared to the general



population. And while some male transgender workers earn more after their transition, female transgender workers can see their earnings drop by nearly a third, says research published in the B.E. Journal of Economic Analysis & Policy.

What about factors that affect parity beyond gender?

Pay parity should also be examined through the lens of other factors including, but not limited to race, ethnicity and sexual orientation.

While this toolkit focuses on gender pay parity, the information provided is a relevant guide for an organization ready to analyze for pay gaps based on any self-identified data sets they have collected (for example, race and ethnicity, sexual orientation, employees living with a disability, caregiver status, etc.). The purpose of this toolkit is to walk you through how to do the work based on gender as a starting place, as that may be the only data some companies have as they begin. However, we encourage any organization working with this toolkit to collect more comprehensive, self-identified data to ensure you can analyze for pay parity based on any number of factors an employee may be discriminated against for. We then encourage you to combine this data in a way that allows you to consider intersectionality in your approach. Break down the aggregate for women to check for parity between white women and BIPOC women, for example, and ensure that you are collecting gender identification data that allows you to analyze for gender pay parity outside of the gender binary of men and women.

We've already got a lot going on during COVID-19. Why should we prioritize this concern right now?

While many businesses are currently focused on how to survive until a return to "normal", "normal" wasn't working for everyone. We've seen the negative effects of this pandemic exacerbated for already marginalized groups, including women and gender diverse individuals (we recommend reading The Atlantic's The Coronavirus is a Disaster for Feminism and A Feminist Economic Recovery Plan for Canada written by YWCA and GATE, among many other articles on the topic). What we should really be thinking about is how we can reset and rebuild in a way that is more inclusive of all potential members of the workforce. This moment in time, when we are being forced to re-evaluate how we do business, is the perfect opportunity to consider adjusting how we structure and evaluate our compensation practices. This is your chance to ensure you're a leader in inclusive economic recovery and to motivate other businesses in your industry to do the same.

Isn't it already the law to pay men and women equally?

Yes, discrimination based on gender identity is prohibited by the <u>Canadian Human Rights Act</u> and provincial human rights legislation. However, unless companies take responsibility, it can be difficult to monitor, so a pay gap still exists based on a variety of factors, like societal assumptions, gender



differences in work experience, and gender-related biases (especially towards working mothers) or differences in pay negotiation.

What is an unadjusted pay gap versus an adjusted pay gap?

An unadjusted pay gap is the difference between the average earnings of what all men and women make at a company, regardless of their position, experience level, or type of work.

An adjusted pay gap is the gap adjusted for people in similar roles performing similar work, or in other words, adjusted to reflect the definition of equal pay/pay parity above. It is comparing "apples to apples." and this is what we are referring to in the context of this initiative.

What kinds of companies should take the pledge?

This pledge is open to all companies—including those that have already started the process, those who have achieved pay parity and are committed to continual reassessment, and those that aren't sure where to begin. Part of the process you're committing to is determining a timeline and goals that make sense for your business, and we'll support you as you take the first step. You may fit one of the following descriptions, or fall somewhere in between:

- Our company is ready to prioritize pay parity, but to date we haven't had the dedicated internal
 resources or know-how to conduct a gender pay gap assessment and/or come up with a plan of
 action to address what is found.
- Our company has done the work to achieve pay parity and we are pledging to continually assess our compensation data as we grow and transform (a pledge to the ongoing prioritization of pay parity). For example, Unbounce will take the pledge as we know that no system is flawless and this is something we need to continually assess.

Who within my organization should take the pledge?

To ensure that achieving gender pay parity is prioritized as a true business objective we are asking CEOs or the Head of Human Resources/People & Culture to be the one to take the pledge on behalf of their organization. This ensures a top-down commitment and the necessary allocation of resources to achieve the objective. It's most likely that members of the Human Resources/People & Culture team will be the ones to lead the implementation of the work and receive the invite to the Slack community.



Does our company need to have multiple positions in the same job to be able to analyze for pay parity?

No. While having multiple positions in the same job is obviously the most accurate way to check for equal pay, this isn't a reality for all companies and there are still steps you can take at different stages to analyze for pay parity that are addressed in the toolkit.

Does the pay gap exist in Canada?

Yes. According to Statistics Canada, a woman makes \$0.92 for every \$1 made by a man in Canada, even after adjusting for differences in industries, occupations, and rate of part-time work. Without adjusting for differences in industries, occupations, and rate of part-time work between men and women, women make \$0.87 for every \$1 made by a man in Canada. After adjusting for these factors, the remaining \$0.08 gap remains unexplained. This portion includes gender differences in factors beyond the scope of Statistics Canada's analysis, such as work experience. Any gender-related biases contributing to the gender wage gap are also reflected in this portion².

The gap is worse for women who face multiple forms of discrimination, such as women of colour and women living with a disability.

What's the timeline of this initiative?

Pay Up for Progress launched on September 28, 2020. Companies who pledged before October 16 received an invitation to participate in a kickoff workshop that took place on October 21. At this workshop, pledgers heard from a panel of companies that have done the work, learned about how to prioritize intersectionality in the work (led by Cicely Blain of Cicely Blain Consulting), and learned how to effectively communicate the work within your organization (led by Annika Reinhardt of Talent Collective).

The formal portion of the pledge initiative will wrap at the beginning of February, 2021. At this time, Unbounce will host an accountability workshop where each pledged company shares where they are in the journey and what their next steps will be. The Slack community will continue to exist so you get continuous support beyond this date.

Is there a deadline for when companies must reach pay parity?

No. Part of the process you're committing to is determining a timeline and goals that make sense for your business.

We recognize that every company is at a different stage in their journey towards pay parity. For some, this may mean the first step is Step 1 in the Equal Pay Toolkit: Where Am I and Where Do I Begin?. For others,



they may have been working towards this for a longer time so they have the structure in place and are ready for Step 11 in the Equal Pay Toolkit: Analyze Your Data.

By taking the pledge, each company is committing to beginning the necessary work to be able to conduct a gender pay parity assessment and outlining a plan of action to address findings. However, the time it takes to accomplish these things will vary depending on the size of the company and what stage of the process they are in.

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Is my company required to disclose specific information or findings?

At no time throughout the pledge process will you be asked to disclose company compensation information or analysis findings to the pledged cohort or to the public. We encourage the sharing of major learnings and best practices, but what you choose to share is entirely up to you.

We took the pledge. Now what?

After a company takes the pledge, they will be sent a confirmation email with the toolkit (also available to download on the landing page). It's important to take some time to review the components of the toolkit. Think about how to apply the instruction at your company and begin to build a plan of action. It can be intimidating to start, but we're concerned with progress over perfection.

You'll also be invited to join the community of all pledged companies via a Slack channel, so we can keep each other accountable for continued progress and share learnings as we go along. This includes an invitation to an accountability workshop at the beginning of February, 2021, accessible via Zoom. In this workshop, all pledged companies will come together to share what steps they've taken towards achieving gender pay parity (even if that is just having built a plan of action and securing capacity within your team to execute it). This is a chance for us all to hold each other accountable to the work we pledged to do and to share learnings and best practices so far.

My company has already reached pay parity. How can we support the initiative?

We encourage you to still take the pledge as an act of ongoing commitment to prioritizing pay parity at your company as this is something that requires continual assessment. We'd also love your support in building awareness of Pay Up for Progress by encouraging companies in your space to take the pledge.



Can companies outside of Canada use the toolkit?

The core content of the toolkit is widely applicable across different geographic locations. However, we must include the caveat that the toolkit was created by a Canadian company and may not fit perfectly within every geographic jurisdiction. We advise companies using the information to check that they do so in a way that aligns with the best practices and legalities of the countries/companies they operate in.

References

- 1. Aptitude Research Partners. "The Power of Pay Equity." 2017
- 2. Statistics Canada. The Gender Wage Gap in 2019. October 2019.

