OVERVIEW

Women’s equity in the workplace has been a focus of the American Association of University Women (AAUW) since our founding in 1881. And while great strides have been made, women are still largely excluded from the most powerful corporate positions in our economy. For instance, the Fortune 500 list of the largest American corporations recently reached a historic high representation of women CEOs at just 6.4 percent, or about 1 in 15.\(^1\) Women in these companies fill only about one in five senior management positions.

But the focus on leadership roles in corporate sectors doesn’t paint the complete picture. AAUW published *Barriers and Bias: The Status of Women in Leadership* in 2016 to broaden awareness of the gender leadership gap and to motivate a change in the status quo.\(^2\) Though most people are aware that women, and women of color in particular, are underrepresented in leadership in the corporate world, many may be less aware of the pervasive impact of bias against women in nonprofit leadership. Indeed, women’s lack of representation in leadership extends to every sector, including the $1.4-trillion\(^3\) nonprofit sector, which employed more than 11 million Americans in 2012.\(^4\) Women make up 75 percent of workers in education, health care, and social assistance, the sectors that encompass most nonprofits.\(^5\) But women hold far less than 75 percent of leadership positions at nonprofits.

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Who are we talking about when we talk about nonprofit leadership?

Nonprofits are nongovernmental entities organized to provide services or pursue a mission without earning a profit. When people refer to nonprofits they are most often referring to organizations incorporated as tax-exempt entities under Section 501(c)3 of the Internal Revenue Code. In addition to charitable foundations, entities often organized as nonprofits include private educational institutions, hospitals, health care service organizations, social assistance or service organizations, child or animal welfare organizations, and some types of advocacy organizations.

In this resource we review data sources and studies looking at both chief executive positions—CEOs and comparable top positions—as well as the broader category of high-level leadership positions and governing boards. The definition of “high-level leadership” or executive staff positions varies among studies, but includes positions that contribute substantially to managing and directing the course of an organization, including CEOs, senior or executive vice presidents, chief financial or operations officers, and others. With respect to colleges and universities, we examined information on campus presidents and other leadership positions, as well as information on faculty ranks and tenure status.
In this resource we examine the leadership gap for women at nonprofit organizations, in higher education, and at charitable foundations. Where possible, we highlight the particular challenges faced by women of color, although studies and data that address the experiences and representation of women of color in nonprofit leadership are scarce. Due to the paucity of this research AAUW will continue to advocate for the collection and analysis of data regarding women in leadership, particularly women of color. Moreover, AAUW has recently finalized its multiyear strategic plan and remains committed to leading the way for all women’s equity in leadership through education, advocacy, training, and technical assistance.

NONPROFIT LEADERSHIP

Though women are well represented as employees throughout the nonprofit workforce they are less common in positions of leadership, especially at the larger nonprofits. When examining the 96,000 American nonprofits with a budget of at least $250,000 some patterns become clear. Women make up 56 percent of chief executives at nonprofits with annual budgets of less than $1 million, but make up just 22 percent of chief executives at the 2,200 nonprofit organizations with annual budgets of at least $50 million.

Notably, even in the relatively rare situations in which women make up the majority of people in leadership positions, women in executive positions experience a gender-based pay gap. Female CEOs at organizations with an annual budget of less than $1 million experience median pay gaps of between 6 percent and 13 percent relative to male CEOs. At larger nonprofits, where men outnumber women, the gap is larger: female CEOs face a median 18 percent pay gap at the nonprofits with the largest budgets.

Gender Equity in CEO Representation, by Organization Budget

Source: GuideStar, 2017
While the statistics are slightly better with respect to women’s representation on nonprofit boards than leadership staff positions, women are still underrepresented. Despite the fact that women make up three-quarters of employees in the sectors where nonprofits are common, a BoardSource survey of nonprofit chief executives found that just 48 percent of nonprofit board members and 42 percent of nonprofit board chairs are women.\(^7\) BoardSource also found that fully 90 percent of nonprofit chief executives, 84 percent of board members, and 90 percent of board chairs are white. BoardSource reported that there has been little progress in improving the representation of women or people of color in the past few years despite wide recognition among leaders that board diversity is still too limited.
HIGHER EDUCATION LEADERSHIP

Women have made up the majority of students and degree recipients in higher education for decades. Presently women make up about 57 percent of college students. Women have received the majority of degrees at the bachelor’s level since 1982, the majority of master’s degrees since 1987, and the majority of doctoral degrees since 2006, and women now receive about half of law and medical degrees.

But despite these facts, the representation of women in higher education faculty and executive positions remains skewed. Women make up the majority of nontenure-track lecturers and instructors across institutions, but only 44 percent of tenure-track faculty and 36 percent of full professors. Senior faculty are often recruited for positions in administration, and so it is unsurprising that college leadership shows severe underrepresentation at the top despite efforts to close the gap. Though more than 50 percent of academic department heads are now women, college presidents are women on only about 30 percent of campuses. As in other sectors of the economy, women are also underrepresented on the governing boards of colleges and universities and make up only 32 percent of institutional board members. People of color are also underrepresented on the boards of colleges and universities.

The good news is that representation of women in top roles has been improving steadily at colleges and universities. Unfortunately, women are still paid less than men at every faculty rank and in most positions within institutional leadership, even in positions constituting the majority of the workforce. Overall, higher education administrators experience a 20 percent gender pay gap though the gap for presidents is under 10 percent. The pay gap for administrators seems to be smaller in positions in which women are most poorly represented, suggesting that academic institutions may be attempting to attract women to those positions with higher salaries.

The representation of women of color among college presidents is particularly sparse. The American Council on Education’s American College President Study revealed that in 2016, 58 percent of college presidents were white men, 25 percent were white women, 12 percent were racial or ethnic minority men, and just 5 percent were racial or ethnic minority women.
CHARITABLE FOUNDATION LEADERSHIP

A 2015 survey of foundations by the Council on Foundations found that 76 percent of full-time staff at foundations were women. However, as in other sectors, women’s representation and that of individuals from racial or ethnic minorities is lower in leadership positions. Women in the foundations surveyed made up almost 90 percent of lower-level staff, but only about half of higher-level executive staff. Individuals from racial and ethnic minorities make up about 30 percent of lower-level staff but only 10 percent of executive staff. The proportion of women in leadership is even less representative at foundations with greater assets. Though women hold about three in five executive positions at foundations with less than $1 billion in assets, women hold less than half of the executive positions at foundations with more than $2 billion in assets.

Despite operating in a sector in which three-quarters of employees are women, the largest charitable foundations in the United States are still struggling to achieve gender parity at the highest levels of leadership. The Chronicle of Philanthropy found that at the 20 largest charitable foundations in the United States trustees were 72 percent white and 63 percent male. Of the 10 largest charitable foundations in the United States 4 have female CEOs and on average their boards are only 40 percent female.

<table>
<thead>
<tr>
<th>Foundation</th>
<th>Assets</th>
<th>CEO/President</th>
<th>Women on Board</th>
</tr>
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<tbody>
<tr>
<td>Bill &amp; Melinda Gates Foundation</td>
<td>$44.3 billion</td>
<td>F</td>
<td>33%</td>
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<tr>
<td>Ford Foundation</td>
<td>$12.4 billion</td>
<td>M</td>
<td>50%</td>
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<tr>
<td>J. Paul Getty Trust</td>
<td>$12.0 billion</td>
<td>M</td>
<td>36%</td>
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<tr>
<td>The Robert Wood Johnson Foundation</td>
<td>$10.5 billion</td>
<td>M</td>
<td>47%</td>
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<tr>
<td>The Lilly Endowment Inc.</td>
<td>$10.0 billion</td>
<td>M</td>
<td>20%</td>
</tr>
<tr>
<td>The William and Flora Hewlett Foundation</td>
<td>$9.0 billion</td>
<td>M</td>
<td>31%</td>
</tr>
<tr>
<td>W.K. Kellogg Foundation</td>
<td>$8.6 billion</td>
<td>F</td>
<td>50%</td>
</tr>
<tr>
<td>The David and Lucile Packard Foundation</td>
<td>$7.1 billion</td>
<td>F</td>
<td>69%</td>
</tr>
<tr>
<td>Gordon and Betty Moore Foundation</td>
<td>$6.6 billion</td>
<td>M</td>
<td>25%</td>
</tr>
<tr>
<td>Bloomberg Philanthropies</td>
<td>$6.6 billion</td>
<td>F</td>
<td>29%</td>
</tr>
<tr>
<td>Total of Top 10</td>
<td></td>
<td>40% Women</td>
<td>40% Women</td>
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SOURCE: THE FOUNDATION CENTER, FOUNDATION WEBSITES
Perhaps unsurprisingly, the gender leadership gap and gender pay gaps work in combination to exclude women from the top-earning positions at charitable organizations. Of the 50 highest-paid executives at American charities and foundations only 4 are women.21

Women working at nonprofits perform vital functions in our society. AAUW strongly asserts that these women must be represented fairly in the leadership of nonprofit organizations, paid equally for their work, and have a fair voice in the important work that nonprofits do. We have included several recommendations in this resource to help achieve that goal.

RECOMMENDATIONS

Equitable representation of women in leadership is one of AAUW's key focus areas, and we are committed to a multipronged approach to reducing and ultimately eliminating this gap across all sectors of our society and economy. In Barriers and Bias, AAUW proposed next steps toward reducing the leadership gap for women and women of color in particular.22 We are continuing our advocacy with a focus on how the government, employers, and individuals can work to advance women in leadership across the nonprofit sector.

AAUW supports the following recommendations for policymakers, employers, and individuals:

I. Policymakers
   A. Improve Data Collection on Women in Leadership

The lack of government data on gender in combination with race in nonprofit employment, wages, and leadership means that research in this area is largely dependent on privately conducted studies with only a few exceptions. Very few studies and sources of data allow for an analysis of the experiences and barriers faced by women of color in nonprofits, though we know women of color are disproportionately underrepresented in leadership positions in the workforce.

AAUW supports better reporting and collection of data on equity in organizational leadership positions, especially data disaggregated and cross-tabulated by both race/ethnicity and gender.

- The U.S Equal Employment Opportunity Commission (EEOC), the U.S. Department of Labor, or the Internal Revenue Service should require employers to report granular data on top leadership demographics. If employers were required to report the gender and race of CEOs and board members, researchers could expand our understanding of where women, and especially women of color, are most likely to
be excluded and target interventions appropriately. The addition of this reporting could be achieved through executive branch action or through federal legislation.

- The U.S. Department of Education should add a similar reporting requirement that would elucidate leadership gaps at colleges and universities by requiring reporting the demographics of board members, campus presidents, and system chancellors.
- At the state level, some legislation is already advancing in this area, but more states could follow suit by prioritizing data collection and reporting regarding employer leadership demographics.23

B. Pass Paid Leave Laws

Research shows that when women have access to paid family and medical leave they are more likely to return to the same employer and thus avoid the loss of seniority and status that comes with leaving the workforce temporarily and returning to a different employer.24 Though paid leave is important to all workers across all levels and sectors, the loss of seniority is a particular problem for women’s ability to climb workplace ladders and may contribute to the lack of women’s representation at the top levels in nonprofits.

Though many workers in the United States have access to unpaid leave via the Family and Medical Leave Act, most American workers do not have access to paid leave.25 Because women are more likely to take leave than men, women are more frequently forced to choose between wages and necessary time off.26 Though some employers do provide access to paid leave—particularly in high-wage sectors—low-wage workers are less likely to have access to paid leave.

- Congress should pass federal bills like the Family and Medical Insurance Leave (FAMILY) Act, which would create a national paid family and medical leave insurance program for all American workers.27 A universal system accessible to all workers is particularly important to making sure that women are able to keep gaining seniority and moving upward, even if they currently occupy the low-wage positions that are less likely to have employer-provided paid family leave.
- AAUW also supports passage of protections at the state level. Many states have had programs in place for years, with measurable results. Access to paid family and medical leave for both men and women—and changing norms so that men are also expected to utilize leave to assist with caretaking—is key to reducing gender gaps in the workplace.

C. Pass Equal Pay Laws

An important implication of the leadership gap is its impact on the pay gap. The underrepresentation of women at the top levels in sectors in which they make up the majority of workers has a long-term effect on women’s earnings and economic security. Professionals in the nonprofit sector already experience lower pay than those at for-profit employers.28
And if women move out of the nonprofit sector to another sector to seek higher pay, their prior salary history may be used as a factor in their next job, carrying forward their lower wages that could have also been tainted by discrimination. These factors continue to contribute to women’s ongoing pay gap.\textsuperscript{29} Policies that eliminate salary history as a consideration when salaries are set can make a difference. Several cities and states have recently made it illegal for employers to rely on a salary history from a job applicant.\textsuperscript{30} The large number of women in the nonprofit workforce means that it is that much more important to ensure that salary histories do not determine future salaries for women in this sector as they move into leadership positions.

- Congress should pass federal laws like the Paycheck Fairness Act, a bill that would provide much-needed updates to the Equal Pay Act of 1963.\textsuperscript{31} While the Equal Pay Act has helped to narrow the gender pay gap, disparities persist. Congress must pass a comprehensive update to this law to close existing loopholes, strengthen penalties for equal pay violations, prohibit the use of salary history, prohibit retaliation against workers who voluntarily discuss or disclose their wages, and support data collection and research.
- We also urge Congress to pass the Pay Equity for All Act, which would prohibit employers from using salary history to determine future pay.
- Many states have already passed strong pay equity laws, including many cities and states that prohibit employers from using a potential employee’s salary history to determine future pay.\textsuperscript{32} We encourage additional state and local progress in this area.

II. Employers

A. Voluntarily Provide Better Data on Women in Leadership

Many nonprofits, foundations, and universities already display the names and qualifications of their organizational leaders and board members, but organizations could go further by deliberately and reporting the gender and race demographics of their senior leadership and boards.

- Employers—nonprofits and others—should begin standardized reporting of leadership demographics on a voluntary public basis. This would be a form of public accountability in addition to serving as an important data resource for researchers.

B. Support Mentorship and Sponsorship Opportunity for Women

Women, and in particular women of color, suffer from a lack of well-positioned mentors and sponsors who can help them acquire the skills, experience, and connections needed to achieve leadership positions. Despite making up the majority of the workforce in the nonprofit sector, there are still relatively few women in top positions who could offer the kind of guidance and assistance needed by women who want to advance. There is a need for both
men and women in senior positions to sponsor and mentor women and for employers to build systems to support diverse mentorship opportunities.

- Nonprofit employers should commit additional resources to mentorship and sponsorship programs and opportunities, including partnering with outside organizations that provide those opportunities.
- Employers should also make mentoring, sponsorship, and diversity inclusion part of job descriptions for the current generation of all leadership and ensure that women and workers of color have access to institutional and other support.

C. Establish and Maintain Workplaces that Promote Success and Advancement

In addition to making sure that workplaces are free from subtle and overt forms of discrimination that hurt women, employers should build workplaces in which both women and men can thrive. Not only does this help employees, it helps employers’ bottom lines by reducing turnover costs and attrition.

For example, nonprofits are more likely to provide health care and other benefits than for-profit employers, but the full range of supports that can help promote success and advancement are by no means universal. Moreover, artificial expectations around work hours are also a problem. Across sectors, employers rewarding men’s greater likelihood of working long, inflexible hours has been identified by researchers as a factor that is contributing to the gender pay gap; using these types of “traditional” schedules, rather than production and outcomes, as a factor in promotion decisions is likely to have a similar effect on the gender leadership gap.

- Employers must provide paid family and medical leave, paid sick days, fair scheduling, and child care. Though these benefit all workers, they are disproportionately important for women and ensure that women can retain their positions and status instead of leaving the workforce when family and other life conflicts would otherwise interfere with their ability to climb ladders toward leadership.
- Employers should de-emphasize “face time” or the ability to work long, inflexible schedules as workplace norms and performance metrics, and instead base performance evaluations and promotion decisions on the objective outcomes and results achieved by workers.

III. Individuals

A. Understand Bias Against Women Leadership

Across all sectors and segments of the population, most people more readily associate leadership with men than with women. This means that women seeking promotions and senior leadership positions may face subtle or implicit bias that can prevent them from achieving their goals. Even when women are in the majority, as among nonprofit employees, subtle bias against women in leadership may still be common in the workplace.
• The first step to ameliorating the effects of this kind of subtle bias is to understand your own bias with AAUW's gender and leadership implicit association test, which gives us a glimpse at the way our minds subtly connect gender and leadership. From there, individuals can take steps to reduce their bias and also to make sure that biases are not affecting our decisions and workplaces.

B. Advocate to Close the Gender Pay Gap
It is critical that state and federal policymakers hear from constituents who support the need to pass or implement new tools to help close the wage gap.
- Urge your members of Congress to support effective legislation to close the gender pay gap, check to see where your state laws stand, and urge your state officials to fight for change at fightforfairpay.org.
- Also urge that the U.S. Equal Employment Opportunity Commission expand the data collected from employers to include salary information.

C. Take Our Salary Negotiation Training
AAUW provides training that can help employees maximize their salaries with the goal of training 10 million women in salary negotiation by 2022. AAUW Start Smart and Work Smart programs take an important step toward closing the pay gap. Informed by reliable research, both workshops are designed to empower women with the skills and confidence they need to successfully negotiate their salary and benefits.
- You can start your training or help others access training through AAUW at salary.aauw.org.

CONCLUSION
There is no single solution to the leadership and pay gaps faced by women. AAUW supports a multipronged approach with reforms at the governmental, employer, and individual levels to address these problems. We are working on helping women succeed and gain leadership opportunities in the workforce and on changing federal and state laws to provide more tools to challenge the pay gap. We encourage employers to adopt leadership and pay equity best practices, and AAUW advocates that agencies should collect more leadership and pay data based on gender and race. Finally, AAUW wants to empower employees to advocate to maximize their salaries and will be training 10 million women in salary negotiation by 2022. By fighting for changes on all of these fronts, we can work together to lead the way for women's equity in leadership.
**The report was written by AAUW Senior Researcher Kevin Miller, Ph.D., and AAUW Senior Vice President of Public Policy and Research Deborah J. Vagins, with significant contributions from the AAUW Public Policy and Research team.**


16 See note 11.

17 See note 13.


22 See note 2.


33 See note 28.


