

Women Are Facing A Crisis In This Country. That's Bad News for Business.

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It's no secret that women are in crisis across the country. Women are being forced to navigate impossible circumstances accessing reproductive health care, becoming parents, negotiating the early years of parenthood, and taking on caregiving for parents and other family members. For too many, hurdle after hurdle compounds until they are unable to meet the demands or are forced out of the workforce entirely.

During the COVID-19 pandemic women left the workforce in droves, particularly mothers of young children. In 2021, one in three women considered downshifting their career or leaving the workforce. Additionally, four in 10 women considered leaving their company or switching jobs.¹ Mothers with young children under age 6 especially bear the weight of juggling parenthood and work responsibilities – their workforce participation is nearly 29 percentage points below that of fathers with children in that age range.²

This exodus reflects how unsustainable it can be for women to remain in the workplace. **An April 2023 nationwide survey of women showed that when trying to decide whether to stay with an employer:**

- **88 percent said fair pay is important;**
- **68 percent said that a flexible work schedule is important;**
- **And 81 percent said that benefits are important to this decision.**

Yet, (more than) two-thirds of women gave businesses a failing grade (C, D, or F) when it comes to providing family friendly policies.³ The failure to support women in the labor force, and the subsequent loss of women's labor, has enormous implications not only for families, but for businesses' bottom line and our economy as a whole. Forcing women out of the workplace costs businesses – replacing an individual employee costs an average of 40 percent, and up to 150 percent, of the employee's annual salary. Additionally, having women in leadership positions leads to better outcomes, job satisfaction, and well-being for employees often saving companies from the financial losses of high turnover and disengaged employees. Supporting women in the workplace is not just up to policymakers, businesses must be part of the solution.

The Problem

Complex problems resulting from decades of systemic racism and sexism, compounded by the COVID-19 pandemic, and attacks on abortion care and health care, have created barriers for women – particularly mothers – from fully participating in the workforce.

- **ABORTION BANS:** At least 14 states have banned abortion, and the number continues to rise.⁴ These barriers have drastic economic implications for people unable to access the abortion care they need. Women denied an abortion were worse off financially one year later than women who terminated a pregnancy. In addition, women who were unable to obtain an abortion were less likely to be employed in a full-time job and more likely to be living below the federal poverty line.⁵
- **MOTHERHOOD PENALTY:** Becoming a parent has a detrimental effect on women's economic security. Women who become mothers experience a drop in earnings in the year after giving birth. Earnings fall by an average of \$1,861 in the first quarter after birth relative to earnings pre-pregnancy or in early pregnancy.⁶
- **MATERNAL HEALTH:** The maternal morbidity and mortality rates have risen exorbitantly in recent years. Women in the U.S. are 50 percent more likely to die from causes related to childbirth than their mothers. And the risk is 3-4 times higher for Black women than for white women, regardless of income or education.⁷ One study found that poor maternal health costs the country more than \$30 billion, noted to be a conservative estimate.⁸
- **PAID FAMILY & SICK LEAVE:** Only one in four workers have access to paid family leave through their jobs as the U.S. remains the only high-wealth nation without a paid leave program.⁹ Additionally, nearly one-quarter of private sector workers – and more than six in 10 of the lowest-income workers – don't have access to even a single paid sick day, which hurts public health and increases presenteeism in the workplace.¹⁰
- **CHILD CARE COSTS:** The costs of child care have skyrocketed. In a recent survey, 51 percent of parents said they spend more than 20 percent of their household income on child care.¹¹
- **WAGE GAP:** Women in the U.S. were typically paid just 77 cents for every dollar paid to a man in 2021 – adding up to a difference of \$11,782 over the course of the year. And the wage gap is widest for many women of color. In 2021, white, non-Hispanic women were paid 73 cents; Black women 64 cents; Latina women 54 cents; Native American women 51 cents; and Asian American, Native Hawaiian and Pacific Islander women as little as 52 cents, and overall, just 80 cents for every dollar paid to white, non-Hispanic men.¹²

What Business Can Do to Help:

Ensure employees have access to health care that meets their needs

- ☑ Provide employees and their families with health insurance that covers:
 - ☑ Abortion
 - ☑ Birth Control
 - ☑ Mental health support, including care for postpartum adjustment disorders
 - ☑ Pregnancy care
 - ☑ Access to doulas and midwifery care

Allow workers to meet their health needs and caregiving responsibilities

- ☑ Provide paid family and medical leave
- ☑ Provide paid sick days that employees can use to care for themselves, including time off to access abortion care, or to care for family members
- ☑ Implement workplace flexibility policies
- ☑ Ensure workers that request schedule changes do not face retaliation
- ☑ Implement fair scheduling practices, particularly for hourly employees
 - ☑ Provide predictability with hours and income
 - ☑ Eliminate policies that place workers “on-call” or schedule workers for “split-shifts”
 - ☑ Do not send workers home early without pay when demand is low

Eliminate pay disparities based on gender, race, and caregiving responsibility

- ☑ Examine compensation practices, including salary, bonuses, raises and promotions to ensure there is no pay disparity based on gender, race, or caregiving responsibility
- ☑ Provide salary range in job postings and do not ask for salary history or base initial salary offers on prospective employee’s prior pay
- ☑ Promote pay transparency in the workplace

Advocate and Evaluate Policies and Partnerships

- ☑ Speak out in support of laws and policies that help pregnant and parenting workers
- ☑ Review partnerships for alignment on business values
- ☑ Ensure political donations go to candidates and causes that support women in the workplace

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- ¹ Thomas, R. et al. (2022, October). *Women in the Workplace 2021* (pg. 7). Retrieved 28 April 2023 from McKinsey & Company website: https://wiw-report.s3.amazonaws.com/Women_in_the_Workplace_2021.pdf
- ² U.S. Department of Labor, Bureau of Labor Statistics. (2022, April). *Labor Force Participation of Mothers and Fathers Little Changed in 2021, Remains Lower than in 2019*. Retrieved 28 April 2023, from <https://www.bls.gov/opub/ted/2022/labor-force-participation-of-mothers-and-fathers-little-changed-in-2021-remains-lower-than-in-2019.htm>
- ³ Lake Research Partners (2023, April). *Banners from a Nationwide Online Omnibus Survey of 1,022 Adults Age 18 and Older* (pp. 2-4).
- ⁴ New York Times (2023, April 28). *Tracking the States Where Abortion is Now Banned*. Retrieved 28 April 2023, from <https://www.nytimes.com/interactive/2022/us/abortion-laws-roe-v-wade.html>
- ⁵ Green Foster, D. et al. (2018, February). Socioeconomic Outcomes of Women Who Receive and Women Who are Denied Wanted Abortions in the United States. *American Journal of Public Health* 112(9) 1290-1296. Retrieved 28 April 2023, from <https://ajph.aphapublications.org/doi/10.2105/AJPH.2017.304247>
- ⁶ Sandler, D. & Szembrot, N. (2022, June). *New Mothers Experience Temporary Drop in Earnings*. U.S. Census Bureau. Retrieved 28 April 2023, from <https://www.census.gov/library/stories/2020/06/cost-of-motherhood-on-womens-employment-and-earnings.html>
- ⁷ Shah, N. (2018, October 16). *A Soaring Maternal Mortality Rate: What Does it Mean for You?* Harvard Health Blog. Retrieved 28 April 2023, from <https://www.health.harvard.edu/blog/a-soaring-maternal-mortality-rate-what-does-it-mean-for-you-2018101614914>
- ⁸ O'Neil, S. et al. (2021, November). *The High Costs of Maternal Morbidity Show Why We Need Greater Investment in Maternal Health*. Retrieved 28 April 2023 from the Commonwealth Fund website: <https://www.commonwealthfund.org/publications/issue-briefs/2021/nov/high-costs-maternal-morbidity-need-investment-maternal-health>
- ⁹ National Partnership for Women and Families. (2022, October). *The Family and Medical Insurance Leave (FAMILY) Act*. Retrieved 1 May 2023, from <https://nationalpartnership.org/wp-content/uploads/2023/02/family-act-fact-sheet.pdf>
- ¹⁰ National Partnership for Women and Families. (2022, November). *Paid Sick Days Improve Public Health*. Retrieved 1 May 2023, from <https://nationalpartnership.org/wp-content/uploads/2023/02/paid-sick-days-improve-our-public-health.pdf>
- ¹¹ Care.com. (2022, June 15). Majority of Families Spend at Least 20% of Household Income on Childcare According to New Care.com Survey [Press Release]. Retrieved 28 April 2023, from <https://www.care.com/about/press/majority-of-families-spend-at-least-20-of-household-income-on-childcare-according-to-new-care-com-survey/>
- ¹² National Partnership for Women and Families. (2023, March). *America's Women and the Wage Gap*. Retrieved 28 April 2023, from <https://nationalpartnership.org/wp-content/uploads/2023/04/americas-women-and-the-wage-gap.pdf>