



## **Equity in the Workplace: The Wage Transparency Act**

8/19/2021 Webinar Transcript

**NATALIE:** Okay, we're ready to go.

Welcome to the Wellbeing Blueprint's wage transparency event, I'm Natalie Williams, Director of the Wellbeing Blueprint and I'm excited to have you here today.

Today, just to start with a little bit of housekeeping put your names and your intros into the chat with your pronouns and where you're from. That helps us capture where you are, but also helps us introduce you if you want to speak directly to our speaker today.

You will notice that we have ASL interpreters, so please use them if needed. Also, if you need closed captioning you can hit the CC button at the bottom of your screen if it's not already on. For any technical issues that you may have, please contact Sacha Green-Atchley. She will put her name in the chat now and you can reach out to her and she will help you with what you need for any tech issues.

Please use the Q&A function at the bottom of the screen to ask questions to the presenter. If you want to ask a question directly and not just have us read it, please raise your hand. We will call on you and you'll be promoted to the panel and can ask directly.

Now that that's out of the way, a really important part of my day today is to acknowledge the land on which I stand as belonging to the Coachutica Sano Akokis peoples. I acknowledge their elders both past and present as well as their future generations. I acknowledge that the rights and cultures of indigenous people throughout the county have been excluded and erased as it relates to the land we all stand on. My acknowledgment demonstrates my commitment to beginning the process of working to dismantle the ongoing legacies of settler colonialism.

The Wellbeing Blueprint is a place where we're all gathered to advance a country where everyone has a fair shot at wellbeing. In our conversation today, we will explore the topic of wage transparency, a very important topic and near and dear to many people's hearts. I think we can all relate to the way transparencies act on wellbeing for businesses and for people and for communities. This conversation will also cover ways to advance legislative action through actionable steps seen through the journey of the Wage Transparency Act.

I am so honored to have the Wellbeing Blueprint signer Megan Driscoll present to us today. Megan is a speaker and author and an award-winning business leader. She's the founder and former CEO of PharmaLogics, a global human capital organization established in 2003 with a staff of over 200 employees and 50 million in revenue.

She led the company to receive several notable achievements including recognition as a Best Place to Work by the Boston Business Journal, the Boston Globe and Inc. Magazine, a seven-time Inc. 5000 Fastest Growing Private Company in the US, and in 2018, she was named the Boston Chamber of Commerce Small Business CEO of the Year.

Megan is a staunch advocate for gender equality. Motivated by the lack of females in leadership roles and in both the public and private sector, Megan has created a movement towards greater transparency around pay as a way of leveling the playing field for all people. Along with her local 50 co-sponsoring legislators, she is recently filed a bill titled, An Act Relative to Wage Transparency in Massachusetts state legislator, which will require employers to share compensation wage ranges, with current and potential employees.

Thank you, Megan for being with us here today, and welcome.

**MEGAN:** Thanks for having me. I'm so excited to be here and talk about wage equity and generally speaking, talk about how other people can learn from my experience and go out on their own and sort of be the change they want to see in the world.

**NATALIE:** So, Megan, I'm going to start with one question. And then I know that we're going to show a short video to kind of double down on what that experience was like to you but can you tell me how did you begin this work?

**MEGAN:** So as a, you know, I started my company when I was really young, I was 25 years old, and I was aware of being a female leader wasn't common, but I didn't have a lot of time to think about what the ramifications of that or what that might mean for my business, or for my employees nonetheless.

That was also a really fast-growing time for my family I had my first child and then you know I quickly got pregnant with my second child when my business was growing, and although I understood the challenges that face people of color and women, I really didn't pay a lot of attention to it until we started hiring people. And they're like your greatest teacher, you just learn what's important through the eyes of the people that work for you.

And I started to become more interested in, like, how to be a great boss you know – how to run a company that's fair and equitable and what does that mean. And so, I started asking questions and going to conferences and trying to kind of soak in and learn as much as I could. In one of the conferences that I

went to was for Inc sponsor were so we were a fastest growing private company as you mentioned for seven years straight we still are on that list.

And they had a speaker there, his name was Dan Price he's, he's been on the cover of magazines at this point people may have heard his name before, but he's called the 70,000 per year CEO, and he basically talked about how he had raised his minimum wage in his company from I think they were like around \$40,000 to \$70,000 and he did it over the course of three years. He was talking about what did a living wage really mean? What was a living wage? And, you know, so me every time I would go to an event I would always take what the context of what someone saying, and then apply it to my business.

And so, in my business our lowest paid earners were entry level recruiters and they could earn up to \$60,000 to \$70,000 their first year. That was base and bonus, so their base was \$38,000 and then they can earn the difference in commission, and many of them did – very few people made less than \$50,000.

But when I was listening to talk about what a living wage really meant a person can't apply for like a mortgage or get a rent or get a new car based on total comp, they're getting those things based on what their base pay is. And it's impossible to live in Boston on \$38,000 a year and that's just, it's virtually impossible and people do it, but it is very hard to make a living at \$30,000.

And even though our job was entry level we did have people of all ranges of ages. Some with kids, you know, taking that job and doing really well at that. And so, um, it was basically after meeting him I think I met him and heard this story in October.

I essentially on the flight home on the back of the napkin was like, Okay, how do I get everybody to a higher wage within our company? So I decided to move every person from \$30,000 to \$50,000. And then I had to bump people who are more senior up to because it kind of them became close to their base pay without bonus. So essentially, you know, it worked out to be about a half a million dollars in profit that I was going to redistribute into people's salaries. Luckily as the primary owner of the company I could do whatever I want. There were many people in my management team without that was a ridiculous thing to do wasn't necessary.

And I just really struggling with so it was so impactful on me to hear, and to feel so strongly about a living wage that I just did it anyway. And interestingly enough, a year later, I was back at the conference and Dan Price was there. And we, I met him afterwards and I said you know I followed your lead, and all these amazing things had happened at my company so what I knew was that we not only do we not lose profit we increased our profit by like 20% of our revenue went up by 16% or something and people were so much happier so much more productive.

We were sending out more resumes every single week we were getting more business. The vibe overall and my company after doing that was just incredibly different. And that leads us to this video which I think kind of ties of bow on it.

He worked with someone who worked for me to surprise me after I met him at that year and it was so, so cool to see this video be done because I learned so much more about what was going on with my employees that I didn't know about. I learned through them developing this video of what the increase in base pay meant to them. So I guess we can do the video. Awesome. Let's go there.

**VIDEO TRANSCRIPT:** We're gonna have a minimum \$70,000 pay rate for everyone that works here. I hope it sets an example for companies all over the Shane Moran, I'm a project manager and I've been with PharmaLogics for about two years.

So I was living in a basement in Jamaica Plain in the city of Boston bottom floor of this three-floor house, and there were bugs and let's just say that it wasn't completely finished, you know, there weren't windows. It ended up being almost an hour commute way, which definitely really just added to the stress of the work day. It was a struggle, you really couldn't really say do much to really purchase a home.

If I could be part of a shift, where business ceases to be about making money as the most important goal, and starts to be about, purpose, service, solving the problems of humanity. So as soon as I'm in the majority on that. I'm ready to go and I decided that's the one thing that I want to do business wise before I died.

Hey, Megan.

Am I late for yoga?

Sorry to interrupt. I was just out there but I came for yoga.

So, it was the Inc 5000 conference, two years ago.

And I said, I don't have a question, I just want to let you know that I heard you speak last year, and I came back from that conference in October, and by January, we had changed up everybody's base salaries, we got everybody to I think from a \$38,500 to a \$50,000 base. I just want to thank you for the idea, because it's made a huge impact and this year we've won all these awards and, you know, people really love working here and I'm proud about it because it was such a like an important thing to have happened.

So then after the fact I said I would love to come visit you guys and meet you.

In January we found out my wife was pregnant. And no better timing for me to, you know, find out that we were going to welcome our, you know, our baby girl into the world.

This is a totally different company. It's so actually the space for sitting in now didn't exist. The wall was this this doesn't exist it pretty much cut off at that at that post right there so we literally knocked down walls.

I was so elated in that moment because I knew that I could make some serious life changes that I had been wanting to make for a long time, so I live now a four-mile drive to the office. I don't take the highway it's all back roads and takes about 10 minutes.

I really want to thank you because I personally thank you so much for your advice and I implemented it and I appreciate it. Thank you.

## **END OF VIDEO**

**MEGAN:** I got a little teary watching it, because it was so impactful for me.

**NATALIE:** What an amazing experience and thank you for sharing with us, that I think what came to mind is when we take action, no matter where we are in the world, everybody benefits and so I saw that your business grew, your employees they were able to really create a deeper sense of wellbeing in their life. And I think just feel valued.

Tell us how your interest in a living wage brought you to the fight for equal pay because that's really what it's been is, you know, advancing this discussion around, around a topic that is not comfortable for everybody to lean into as an employee or even as an employer.

**MEGAN:** Yeah. So I think, you know, once I had made the change internally and I saw an experienced what a dramatic difference, you know, we were a great company beforehand, it just allowed us to kind of become unleashed if you will. And so I got it. It's like a muscle right you have some success and you, you need to flex that muscle is like in sales once you're good a little good at sales and you get a little bit better but it's all confidence.

And so I became pretty confident that I could do more than, really what was within my walls, you know, and focused on things that really matter to me although living away, a living wage is incredibly important to me. Dan, that's kind of his fight and he's brought that he continues to kind of hammer down on that.

But I also sense that there were issues that were even greater and more important to me. And over the years of building a company. I was very conscious about what I paid everybody.

And so, and I also was very protective of women so we had 60% of our staff was women over 70% of our of our leadership team was female. I, when I actually sold my company to a private equity firm, I sort of required that we have females on the board. So I was actively pursuing those things. And as you actively pursue those things you realize how much it's actively pursued it is by others.

And I sort of decided that I was going to use PharmaLogics as a platform to show that equal pay is good for companies. So we went into a fully transparent paid policy about two years after we made our, our change with our living wage. And we essentially shared salary ranges for every single role we publish the

pay ranges when you applied for roles at PharmaLogics. Once you were hired at PharmaLogics we showed you where you would be for every single job at every single increase that even further, that connection between employee and company to because they knew that the person next to them wasn't earning more than they were earning, they were all earning the same amount within a very it was they were tight windows and we give them ranges but tight windows.

And so in the process of doing that we actually got the notice of the Boston Women's Workforce Council which was a Marty Walsh initiative where they were really tackling wage inequality in Massachusetts and did a lot of research and work to understand that Massachusetts doesn't do any better than national averages, as it relates to equal pay for women and people of color.

So they heard about our wage transparency policy at our company. We actually won an award of an innovation award for that as a best practice. And that again just strengthened my interest in this area, but sort of a defining thing also occurred, which was in 2016, Massachusetts passed an Equal Pay Act.

Nobody really heard about it right away because it gets passed but it takes a couple of years for to get implemented, so it wasn't active until July of 2018.

So as somebody who was a business owner, and really interested in social responsibility piece of paying people fairly. I was fairly excited about Equal Pay Act and kind of what it would do for Massachusetts. And I realized that very quickly that the Equal Pay Act did not do what it set out to do and not only did it not really help women and people of color, it also was not good for businesses and made it very hard to hire candidates.

When you've removed the salary information, and yet not replaced it with like any other process to make the process fair. So that's kind of when I started to get involved with the legislative process and thought that uh we you know if they Equal Pay Act can pass. Then something else should be able to be passed to fix the problems with the Equal Pay Act. And that's kind of where the legislation part began, and I just generally begin to feel strongly that I can do what's right in my company of 250 employees and I have a responsibility to do so. And I can advocate for that with other people. But I'm only so small, right, you know, the fact that I affect 250 people.

You know, I felt that the message needed to go broader I felt that the more people needed to kind of get on board and kind of coalesce around this issue. And so I really wanted to take it outside the walls of just my small company.

**NATALIE:** Awesome. You know what comes to mind is this kind of not fully understanding how these laws are put into action how legislative advocacy works. But before that I want to ask you, like, what, what would I be entitled to in Massachusetts as an employee because of this act, how would that work for me to process it?

**MEGAN:** Yeah, if it passes through the legislature this year which all, all signs are going in the right direction. And such an issue currently So currently, and in most states around the country, with the exception of a few you can no longer – so in Massachusetts I'm not forced to share my current salary so a company can no longer ask me that question. But what's been replaced by that question is what are your salary expectations?

And what we found and what we know is that men are better at giving higher expectations, and our expectations are often found it on what we're currently earning. So although we are eliminating the question of what you're actually earning, we're setting up the same situation with just a different question.

And because companies in Massachusetts don't have to share salary just for the role that you're applying for and 95% of the time they don't because of that. So essentially, because we've eliminated that question, right, and we put in place this nebulous sort of answer anything by what are your expectations.

It has resulted in men getting paid even more for jobs because their expectations are higher.

Also, the Equal Pay Act, didn't do anything for people in seats. So for example, less than 5% of the population changes jobs year over year. So the Equal Pay Act really didn't do anything for anybody in seats are currently earning less.

There are two reasons why women and people of color earn less number one is there's less people of color and women at the top, so those high wage earners, and number two is, they're often in the range for the role, but they're at the bottom of the range for the role.

So, this legislation would require that companies share the salary range for a job when a candidate applies. So, when we're giving our expectations we're giving them in keeping with what we know about the job what the job will pay.

And then secondly, for any employee in a seat, they can ask their employer what the pay rate is just for the job that they're in. And that gives them an enormous amount of power they don't currently have in terms of advocating for themselves. Right, so if the payrate is 60 to 80 I'm at 62, then they can have a pretty serious and honest conversation with what do I need to do to get to 80. What are the responsibilities I need to take on what are the skills that I lack right, so it's a tool in the toolbox for a super powerful negotiation.

**NATALIE:** So that's what the Wage Transparency Act would require that's it's great you know it makes me think, as, as I am a woman of color, there's been a lot of instances when I've been fearful to ask about pay or to ask about the range that maybe I wouldn't get the job because they thought I was too aggressive or that it was an uncomfortable conversation. I didn't want to rock the boat, so I can see the impact for me personally of having it already on the table and not having to ask this question because it's, it's like a known to everybody.

What have you seen as a larger impact? So talk a little bit about the impact to your company, and what you saw, and maybe to the individuals on a larger scale from pursuing this legislation.

**MEGAN:** Yeah, so I'll give you I'll give you a recent example. I was working with a candidate who ended up getting downsized for her role that was working in upstate New York. And so pay isn't as aggressive as it would be in the Boston market or the California market or whatnot but she was a PhD chemist lost her job during COVID and was very unsure and unwilling to make a big move at the time of COVID, so she ended up just taking a job in like a quality control department which is very overqualified for that job. So she took a pay cut she was earning like \$90,000 to the \$20,000 pay cut but to stay employed during COVID.

This past year she decided that she needed you know she felt more comfortable she felt like she could move she felt like she could really start her job search. So she was interviewing with a company in Boston, and the company did not share the pain range for the role. And they were interested in making her an offer and they asked her what her salary expectations were and I told her flat out do not answer that question, leave it blank. Let them make you an offer, because her thought was what if I put like 105, you know it's more than I was earning before and way more than I was earning when I took my step back, I said nope you're going to say nothing, you're going to leave it empty leave it blank.

The company made her an offer at \$145,000. Now, two things happened, a company overpaid, right, because I bet they paid her at the top of the range because they really wanted her, so probably the range was 125 to 145 is what I'm guessing, right.

The company overpaid for that talent, and she by not answering the question right was paid a fair salary or more than fair salary.

And so, everyone would have won still had the company share the pay rate data, because if there was 125 to 145 she would have said 145 is amazing it's 125 more thousand dollars and I was earning eight months ago in a job that I really love right and so it's just all about when you add sunlight, everybody wins.

It's not an anti-business policy it's a pro-business policy that also has positive impacts for women and people of color.

And so, at PharmaLogics when we made that change right people didn't feel like they had to leave their employer to gain more money than you exactly what was going to be coming to them as they made the sacrifices but also made it seem more worth it, it, right, like, oh this this jump to that girl is going to give me \$20,000 more dollars. I'm going to work really, really hard so that I get that job.

And so it just lays the groundwork for people to feel more motivated even within the walls of your own company. So, um so yeah so I think that you know one of the things that's been, I think that's hard to

come by, especially as it relates to legislation is coming up with something that's pro-business and pro-person.

You know, you often have a social impact and business constraints that are kind of mashing up against one another. This actually has positive business positive for business and it's positive for people.

And so that's why I think we've gotten so much interest in the bill, and why I think it will do very well and quite frankly passed just in this session. And I think that's something that as people think about issues that they want to try to attack is to not think about it, only solely in one direction right well this is a huge social impact. Does it have a business impact right – can there be an argument need for why this would be good for business or pro-business?

And, and not that it always can, but what I will say is that it's easier to push forward on a topic where you have consensus and I've been told many times in the last few years that in working with legislation that if businesses is opposed to it, it's almost virtually impossible to pass, unless you have a groundswell of support, like people out there picketing every weekend. Unfortunately, that's just the way things go so that's just been good advice, and one that I didn't need to take because I when I originally put this law together that I wasn't thinking about that I was thinking about the business issues that it was created because I experienced them as an employer, and as a recruiter who's seeing it on the ground real time like play out with companies losing candidates because they didn't know the salaries and all kinds of issues that it created the equal path created for businesses. But I do think that that's an important aspect of like what would make a good bill.

**NATALIE:** What are some boardroom shockers that you really kind of blew your mind, back, back office back stuff that we wouldn't know unless we were in those circles occurred?

**MEGAN:** There's a lot of women in politics who don't like women. I was really I've been very, very surprised at the pushback. So, I own my own company so I didn't really ever have to like report to any women. when people would talk about how women don't support women, it would always be like really seems crazy.

I really experienced that within the first like having a good idea, and it not be another woman's great idea in politics, that didn't go over so well. I was really surprised by that.

I'm also really surprised when you officially come out on a topic, whatever it is, when you make a position on something at how many people want to tear that down and shock you like friends of mine who would argue with me about the fact that there is equal pay, I mean like I don't know what planet we're living on and it might just be the divisive sort of polarized environment that we're living in, but I was very shocked by that. I kind of expected everyone to, you know everybody knows this is a problem right.

And I was kind of surprised a bit naive, I guess, to think that everybody would think this is a great idea.

And that has been I don't think super surprising but to me you know who feels like you know someone who is confident and confident in sort of the information that I'm using to, you know, I'm not, I'm sharing real life data, and someone tells still telling me that that's not true it's very hard to understand how you get to that place.

So that was kind of shocking to me, and also how hard it is to pass legislation really, I mean it requires, you know, a lot of people kind of coming together and agreed to move forward.

But the legislative process is slow so patience is really important and I don't have a lot of patience in general just not my strong suit. So I've learned that I've got to kind of like, take a step back, give people space to consider things revisit, you know, and not expect things to happen overnight because they just don't happen overnight.

**NATALIE:** Awesome. Thank you. So tell us a little bit about the process for legislative action How did it begin. What is your blueprint that you followed?

**MEGAN:** Yeah and you know what's funny is, you know, this particular legislation falls directly in the sort of like six tenants of the Wellbeing Blueprint right like that you are, what you know, starting with something that matters to people right and, you know, pushing against harms being constrained in communities that already faced the greatest adversity. What's so important about this law now is, is the timing of it right we have we have pushed women out of the workforce in such a substantial way.

But what kind of workforce are they coming back to right so it's so important that we pass legislation that allows women to enter back into the workforce and not take a collective step back, right in pay. And then, you know, when you talk about building financial security.

You know, when you listen to stories of women, especially people of color women, women of color, and the obstacles that they have faced to financial security. There is incredible there they have more debt right there's just there's a structural racism that exists and how it's like fundamental to their process in life of financial security.

And so if there's a way that we can we can help women and particularly women of color, enter back into this workforce in a way that puts them ahead and not behind you know that's what we need, we have to do it. So I don't know if I exactly answered your question but to lay the groundwork of how it goes with a Wellbeing Blueprint but the legislative process is actually a lot simpler than I think people think it is.

And I think people feel like it's pretty daunting task but essentially, I started this off by - I had a problem right so I knew that companies were struggling to make hires after the Equal Pay Act was put in place, and that the Equal Pay Act didn't in fact really help women and people of color and in helping them achieve financial changes in their lives. And then also I was kind of just bummed out that the Equal Pay Act didn't do anything for people who are in seats already.

And we're never going to make a move towards equal pay for only dealing with the 5% job changes every year. So I knew there was a problem that I wanted to tackle, so my first step was I met with my local legislator so his name's Josh Cutler he represents Plymouth County, the town that I live in, and I asked him if he would meet for coffee and I had an idea that I want to talk with him about.

So, that's how it started I basically introduced myself, and I told him all about, you know, what I had experienced what I was thinking. Was there a way that this could be tackled legislatively, I asked him just about like, is there an amendment to the law? Like I knew nothing about this at all. And so we had a great first meeting where he just kind of filled me in with like the background stuff like it can't be an amendment to it but it can be its own separate legislation and here's what you need to do and have you talked to this person, have you talked to that person, and things like that.

And so he led me to a bunch of really successful women in Boston who I had not met, who were dealing with issues along the lines of equal pay in Massachusetts, and I set up meetings with them and we chatted and we talked about the law and so it just kind of evolved from there really. I met with several people out of my own I came back to him and told him what I found out, which was there was consensus that this was an issue and needed to be addressed.

Um, and so after that we had some consensus about what we should do next, and he helped me set up meetings our first meeting was with the Attorney General, who essentially again clarified that everything that I was saying was happening on the ground was actually happening where companies were calling and getting frustrated with hiring and losing candidates and the Equal Pay Act was not helping anybody. And so that led to some additional meetings and then finally he agreed I think we should put this together as legislation.

And so, from the time I had lunch with them or breakfast with them, coffee, to the time we actually put that in place I want to say was probably six months.

**NATALIE:** That's awesome. And then follow up to that is, is it your experience, and seeing this process through, that those legislators want to meet with citizens that they, they want to hear your voice?

**MEGAN:** Yeah, they really do and I think, um, you know there's some legislators do town halls if those have been really like spotty related but they've just not been well attended. But you can absolutely call your legislator and introduce yourself. Tell them you have a problem and ask them to meet.

And there, that is their job, their job is to represent you and I, there should be no issue with doing that many of them hold other jobs or you know or in or in their days off live in the area that you live in one of the towns that they're representing, so it's not like they're very far from where you are, and their job is to take a meeting from you.

What needs to happen is you need to have your I's dotted and your T's crossed before you show up there right it, you probably should call this person first or get some more data, you got to kind of come to them

with like a first-hand experience of why this is an issue and be able to articulate that. And so if you can do that, then there's no reason why that meeting shouldn't go well.

**NATALIE:** Thanks. Well, I wanted to open it up for questions from the audience now. Do you have questions or thoughts that you want to share during our time together today?

So I have one question is, what do you think is the biggest barrier to supporting living wages, and wage transparency?

**MEGAN:** biggest barrier. Um, well I think, as it relates to living wage there are there are significant issues as it relates to sort of this corporate America.

I mean you've seen on the news where the company doesn't do well but the CEO makes \$5 million per year, \$10 million. You know, it's just like it's sort of silly right. I think that there's a lack of understanding amongst corporate CEOs of what does a living wage really do for your place right. So there's a lack of even knowing what it means or caring, there's a lack of understanding of what it can possibly do for your company overall. It's a relatively newer concept, to be honest. Not one that's very well employed.

And so I think that's one of the barriers for living wage. However, as it relates to wage equality and equal pay. We have made a lot of progress. it has been a topic that people have talked about for many, many years. And when you speak to people who are in HR or an executive leadership, everyone's talking about how to engage their employees in a more fair, equitable way so this is a topic that many companies are trying to tackle.

Even if you look at like a as an example like a State Street here in Massachusetts, there a contract signer meaning they bought the Women's Workforce Council and said, you're going to pay women and men fairly people color fairly, and they've said yes absolutely we are yet they're like one of the largest contributors to the discrepancy and pay. And the reason is that those companies have gone on 20 years 30 years without thinking about equal pay as they hired.

Right, so they have an inequity on every level, big disparities between what their white males are earning and everybody else. And that takes time to fix.

So although they want to fix the problem it's billions and billions of dollars they would have to infuse to fix the problem overnight. So this has to be what we call it a walking solution right where we can make these little changes over time, that may have a big impact. And so this is one of the ways.

In fact, a few of the Equal Pay Acts that have recently been passed like in Connecticut as an example, have included this language that I'm proposing now as an amendment to the legislation, but they're including it right off the bat because they know that they need to provide more than just taking away the salary there needs to be more done as it relates to a transparency to really make a difference.

**NATALIE:** Another question that came through the chat is, will there be consequences for employers who don't post wage ranges under this bill, or is there a plan to incentivize employers to make this change once the bill passes?

**MEGAN:** Yeah, so there is some. We have employed the, the ramifications with the Equal Pay Act which basically state that it's against the law to do so.

Those would be in place for this legislation as well. So you could as an employee file a complaint with the Attorney General that they're not following that process and the Attorney General would take that on seriously because they that would fall under their purview. So yes you could, and as an example, you could do that right now if someone in Massachusetts asks you what you're currently earning, you can call the Attorney General and they are in violation of the Equal Pay Act, and there are ramifications that are associated with that but then Attorney General would pursue.

**NATALIE:** Awesome. What other states are looking at passing legislation similar to this?

**MEGAN:** So, Colorado has recently passed an Equal Pay Act they've been a little bit of hotwire, their laws actually getting litigated against, California, New York City, not the state, Connecticut.

A few others have it like on their books, it's probably 14 to 15 states have either pass equal pay legislation similar to Massachusetts, or have gone further, or have Equal Pay Acts on the books meaning they're going through legislation legislative process.

**NATALIE:** Do you think that this will impact the advancement of I know we've talked a lot about women and advancing but of people of color into positions of decision making in organizations?

**MEGAN:** I think there are there, so I think that pay equality in the workplace is extremely complicated, and there's lots of different facets to it. So I think that it's really complicated issue, like for example there's legislation in Massachusetts right now about making sure you have a certain percentage of women on boards and people of color on boards.

And so that's tackling one issue.

Then you have the issue of this just sort of general wage equality and then you have just leadership how many women leaders on there is another legislation that's all also being proposed, which is like a reporting mechanism.

So the state. The state doesn't have a handle basically if you will, on how bad this problem is right, we don't we don't really know because nobody reports. there's an EEOC guidelines that go to the federal government but on a state level, nobody really understands how deep the problem is. The Boston Women's Workforce Council in Massachusetts did shine a light on it, but we don't really know exactly how it's happening, how frequently it's happening, how big the wage gap is, and also what companies are

doing to fix it. Right it's a little bit of a everybody knows it's a problem, but nobody really knows how to fix it. So I think you have to go at this from a couple different angles right you have to approach it from the women on boards to executive leadership which will be next after women on boards to generally equal pay within a job function, someone.

Paul white man Paul should not be earning \$80,000 when the job pays 60 to 80, if, if, if Sarah is earning 62, they're doing the same job it's just not fair.

But I also think that we have a huge issue as it relates to flexibility for women. Because we can't keep moving forward without addressing childcare. I mean, we just can't. So at some point, there's that issue that holds women back no matter what.

And so, I would love to say and I've told this to people like if we pass this legislation we're going to help a lot of a lot of women and people of color advocate for themselves make it easier for them to get paid fairly and make the process, you know, equal on the boards just a little bit more for everyone, but we're not going to solve all these other issues that surround this problem and create this problem, which is access to childcare, women and leadership, you know, things like that.

It also comes down to student debt, you know, and they are all related. And so I think that it's a multi-faceted very complicated problem. But I'm, I'm heartened to know there are lots of people like me that are pushing forward on these things and trying to make a difference in these areas and if you're interested in any of this you know, I encourage you to get in touch with me I'll hook you up with people who are pushing forward on these different topics, because it does require sort of manpower, interest and influence.

**NATALIE:** One question that came, is I'm curious about the implications, but also the process for small nonprofits even small work startups where the positions aren't already standardized. And also there may be founders or other parties involved. How do you get to a place for transparency as possible?

**MEGAN:** So one of the things about the, the current legislation is it wouldn't kick in until you're 50 employees, because that's when you sort of have to have your flaws fixed. At 50 employees you probably need someone in human resources to managing all of your hiring and your management of your retention of your employees. The idea though, is that you want it wouldn't be like overnight when you're 50 all of a sudden start thinking about all I have to now, make sure that people share wage data and all that kind of stuff right because it's that you are starting and developing your company with those principles in mind, right, because at 50, you're going to have to start doing it.

And so one of the things that I think for people who work in small businesses right and to have influence within small businesses and I would venture, you know, my, my feeling on this is anybody who works anywhere has influence right you're an employee the company you have influence to carefully have those conversations with people who are empowered to make those decisions about best practices for hiring

about wage, transparency, leading them to places like the Boston Women's Workforce Council or other places

places within your state that have this kind of data that set, not only supports that companies do better when they have equal pay right and when they have equality within the workforce in general companies have better client satisfaction that or employee satisfaction, they make more money.

You know there's a lot of resources out there McKinsey does a ton of really great work on women in the workforce Harvard Business School has put out a ton of research on this topic. So I think there's ways in which you can introduce the topic to those people who are in charge and who make those decisions about being mindful of that growth before it becomes an issue. Like for State Street right 20,000 people, how they're going to fix that problem even if they want to? Way too big way too expensive, gotta walk into it somehow slowly.

Small companies have this opportunity to never make that mistake. In the beginning, by educating themselves and the people at be who make those decisions as to how to successfully create an environment where you're thoughtful about pay from an equity standpoint.

Yeah, fairness standpoint, and I'm happy to speak to organizations about how we did it. As a small business, I've spoken on this topic quite a bit I'm happy to come and talk about what are the steps that you can take within your organization to make sure that you're paying people equally and fairly, and why wage transparency is really good for your company, whether it be a nonprofit or not.

So I'm happy to deal specifically with organizations on this topic, but I also am, you know, mindful that you can do it yourself too but if you don't feel comfortable I'm happy to get involved in any way I can. Because there's so much data to show why this is just good for business overall.

**NATALIE:** What are your thoughts about women and women of color and essential low paying jobs and how to have a positive impact on their lives and wages.

Yeah, so I'm really frustrated with companies lack of care for what I would call our minimum wage workers. I did a lot of I spent a lot of time actually in Massachusetts at the Capitol when we were pushing the minimum, the \$15 minimum wage I was there as a speaker on behalf of business.

And I just think, and I've said this to anybody who will listen, that it is fundamentally unfair for someone who works 40 hours a week to not be able to put food on their table to not be able to pay their rent and feed their kids like it is fundamental disaster that that happens in every state in our country, it's just wrong.

And that has to get changed. I was really heartening to the other day I think I just saw, I don't. It wasn't Wendy, it was maybe a Wendy's that had raised their base pay to \$17.90 cents. In some state I think out west basically and their competition was paying \$11 but this sort of fight for talent has sort of driven up that base pay.

We have to be talking about the cost of our goods, if we're selling our product for less than it costs to make it, because we're, we're making it on \$8-\$9 minimum wage then our whole priorities are screwed up. And we need to be reassessing what we charge for the services or the products that we make, because we cannot be providing those on the backbone of women and minorities and people of color, and are low wage earners that is just fundamentally wrong.

I don't know the solution to that I know there are people like me, Dan Price is one of them. Lots of people were talking about this, but it has to be addressed. I was happy to see a Wendy's pay \$17.90 cents like that made me kind of happy to see that maybe just maybe we're on the precipice of companies realizing that you can't get talent, because you're not paying them enough, like they can't feed their kids so they're not taking your crappy job.

I just hope that we have to keep talking about it you know leaders have to keep talking about it.

**NATALIE:** And one of the questions came up that businesses like the idea in theory but don't want more regulation based on working on similar issues on dignity at work. As part of the advocacy, are you bringing business leaders on board and if so what's your messaging around that?

**MEGAN:** So it was a little bit easier for me because the Equal Pay Act caused a problem for businesses, when you took away that the salary question, they were left with this expectation answer which some people didn't even answer.

So you had them making offers to candidates, and then the candidate would say, Well, I earned more than that already so why would I take that. And the company would be so frustrated. So this was happening over and over again in Massachusetts candidates were not taking jobs clients were making offers candidates and they weren't taking them because they were away last.

It was just frustrating. So, the at the legislation that I put forward, although is secretly awesome for women and people of color. It also addresses a serious pretty significant business need however I did have to get them on board.

So I actually, I had been a member of a chamber of commerce throughout my whole business life. So I basically approached a bunch of the chambers of commerce and went to them and talk to him about this business issue. The business community was focused on the business issue, and not so much focus on the social impact of the issue, but focus on the business reasons why this was good. And that's kind of why I mentioned at the beginning you know if there's a way that you can turn this into a problem solve for the business community, it's going to make it easier for you

It's going to make it easier for you to get businesses and support in general, like when I met with Josh Cutler his first question to me was how is this going to affect businesses, you know, that was the first question he asked me. So one of the things that I would say is, you know, we often look at issues, sort of

through our singular lens. Right, I would talk to people about how what you're trying to accomplish affects the business community other any positives.

Any silver lining for that community, to kind of get on board with, and then run with that basically, but I've actually had I think eight or nine chambers of commerce sign on co-sponsors but supporters of the legislation they've written letters and came to hearings. It encompasses about 5000 Massachusetts businesses through those seven or eight chambers that have gotten aboard their big ones Springfield Taunton, Quincy, Plymouth. My take is to go that route. I've gone away from trying to get the big corporate companies there's just too much bureaucracy. In my opinion, so I've kind of gone with the Chamber of Commerce route.

But I've also worked with like in these which is pretty conservative manufacturing organization who has changed their tune in the last several years is really involved and interested in issues related to women and minorities and diversity. And then there's lots of like the Black Economic Council for example, they have supported our amplify Latinx which is a Latina business organization they're on board.

So there's a lot of places you can go if you once you kind of get involved in it, there's a lot of places you can go by asking a lot of questions and taking the time to make those phone calls to people to understand how your, what you're thinking, could affect them. Making the wage information transparent is one giant step, overcoming social conditioning of not discussing money, especially in the Commonwealth seems like another Hill to climb.

**NATALIE:** Do you have a sense that attitudes are changing towards this type of self-advocacy around salaries and income?

**MEGAN:** Yeah, so one of the other tenants of the Equal Pay Act that was passed was that you no longer could penalize employees for talking about pay. Everybody might be aware that that is part of the Equal Pay Act but that did get addressed so if you think about that prior 2018 companies could fire you for talking about pay. So that was a significant change right but that's no longer an option to be fired for that reason. That doesn't say doesn't happen right it does happen but people would have a leg to stand on to call the Attorney General, and to argue that fact if they did.

I do think that today people are much more willing and it's more commonplace to talk about what's what people are earning. I do think there's been a social effect to that, at least I saw it, you know, within the people that I worked with it became less taboo, if you will. Things take time to change right like, as an example, the Equal Pay Act caused a problem for businesses because you no longer could ask that question of what are you what are you earning some companies took the prospective position of starting to share the salaries because they didn't want to waste their time with candidates who aren't going to take their job offer.

Now it's still a small number of companies but many more companies share paid pay data today than they did before the Equal Pay Act. So, so as it relates to that I currently in in Massachusetts, you cannot be

penalized for talking about pay. And that is the state of the state, if you will. And I do think that attitudes are changing I think attitudes are slow to change. But I do think they are changing and I think everybody should.

If you don't, if you didn't know that you should share that information right like people need to know that there's nothing wrong with sharing salary ranges, and I will also say that some of the reason why companies have gotten on board to support the legislation that I've proposed is because there's a little bit of a rumor mill that started right. So, I'm talking to you, and you and now we're sharing pay data and I'm like hey, you are way more than me what the heck, but I'm taking your word for it right it's not necessarily a true number. Companies have picked up on that that there's this disproportionate connection with what's reality. And what's actually happening right and I'll give you a very good example.

What PharmaLogics did, like it wasn't a research study but we took like 60 or 70 of our employees and we asked them, have you ever inflated your salary in conversation with friends or family? Like 10 to 15% of the women said yes. Ninety percent of the men we asked said yes, that they had inflated their salaries when talking to friends and family. So I think that there's a cultural issue that's been created that businesses are taking notice of that and again, this is more reason why this legislation makes sense.

Let's take all the guesswork out of it. Let's just share the information, the true information. And then we can see that the number Mark just said is wrong – he doesn't make \$105,000, Mark's a liar because \$95,000 is the top of the range.

So I do think that things are changing. I especially as it relates to that.

**NATALIE:** How can people join the movement.

**MEGAN:** So if you're interested in equal pay in Massachusetts you can reach out directly to me, and I will absolutely enjoying bringing you into this fight in Massachusetts. If you live somewhere else, and you want this legislation on the books where it is, I also encourage you to talk to me.

One of the things that I stepped down as CEO and January of 2020 and I've literally devoted my myself, my time to this effort. I have a consultancy and I do a lot of work on that but this is kind of what I do. And my interest is to take this much broader right. My interest is to take this this show on the road if you will and make sure that all 50 states have equal pay in place that include the language of the amendment from Massachusetts. So if you're interested in taking the show on the road in the state where you live, let's also talk because there might be some resources and people that I could put you in touch with to get that started, and I would love, love, love to do that.

We even talked about doing another kind of like more interactive one on one session after this for people who really are interested in pay equity and want to make this change happen. I'm more than happy to share everything that I know in more detail and really kind of get my hands dirty and get involved with helping you pursue it.

**NATALIE:** Thank you, Megan, um, I guess for me, it's that whether you see yourself in this journey. whether you see yourself you know, advancing legislation for wrongs that you think need to be righted or that there is infrastructure built for fairness and equity across the country.

I think the information that we learned today is knowledge is power. And there's so many of us that feel silenced when it comes to talking about what our pay or how we feel in an organization, related to how we're compensated. What is our upward mobility, do we have opportunities to advance to levels of manager director?

Those are conversations that I think people are having in their homes, amongst one another when it feels comfortable. Hopefully what this does is it brings it to light to where we can have those open conversations and organizations, and it's not a shocker for CEOs and directors to say yeah I've heard about that, and I'm prepared to have a conversation with you about that and what that looks like for you and how you advance.

Pay is a very intimate thing for most all of us, it's the way that we fund our lives, no matter how much money we make, where we live in the country it's the way we take care of our families, and we're finding that it's a topic that is often not discussed openly.

So I want to thank Megan for really inspiring, a journey for all of us to take a look at. I also hope that people walk away with no matter what you look like, no matter what your background is, no matter how much money you make, we all have the right to have a conversation with our representatives, and our legislators and we all have the right to ask questions and demand that they work for us that they really speak the voice of the communities that they represent.

So thank you, Megan for everything.

I know that we will be sending out a follow up survey and follow up information. If you feel like you want to have a deeper conversation about advancing legislation, even if it's not in the Equal Pay Act world or wage transparency world, Megan can share her experience and you can take it from there.

Thank you everybody for your time. Thank you to our ASL interpreters. You are amazing. Thank you to our FFA staff Sacha and Matthew. And again, thank you to Megan for your time and your energy and your passion.