

# THE STATE OF PAY EQUITY IN 2023

The wage gap between women and men widens





## Pay equity progress sees concerning reversal

March 14, 2023 is U.S. Equal Pay Day, a shifting date, symbolic of how many extra days into the new year women must work to equal the pay earned by men in 2022—this year that number is 73. Visier documented<sup>1</sup> last year’s movement, highlighting slow but steady progress made in 2021 toward closing the wage gap. However, in this update, we have found signs of not only stagnation in progress toward closing the gap, but a disheartening widening, in contrast to the equal-wage progress made over the last five years.

From 2017 to 2021, Visier’s data comprising over 15 million employee records, revealed incremental progress towards pay equity culminating in a historic high of women earning \$0.85 to the dollar on average compared to their male counterparts. The hope of continuing progress toward the pay parity by 2030 goal, set out by the Equal Pay International Coalition (EPIC)<sup>2</sup>, seemed likely.

However, updated data from 2022 shows the first ever decline in pay equity progress since we began tracking in 2017 (Fig. 1). This decline, from \$0.85 to \$0.84 may not feel significant on its own, but it shows a clear faltering in progress, and puts at risk the 2030 parity timeline.

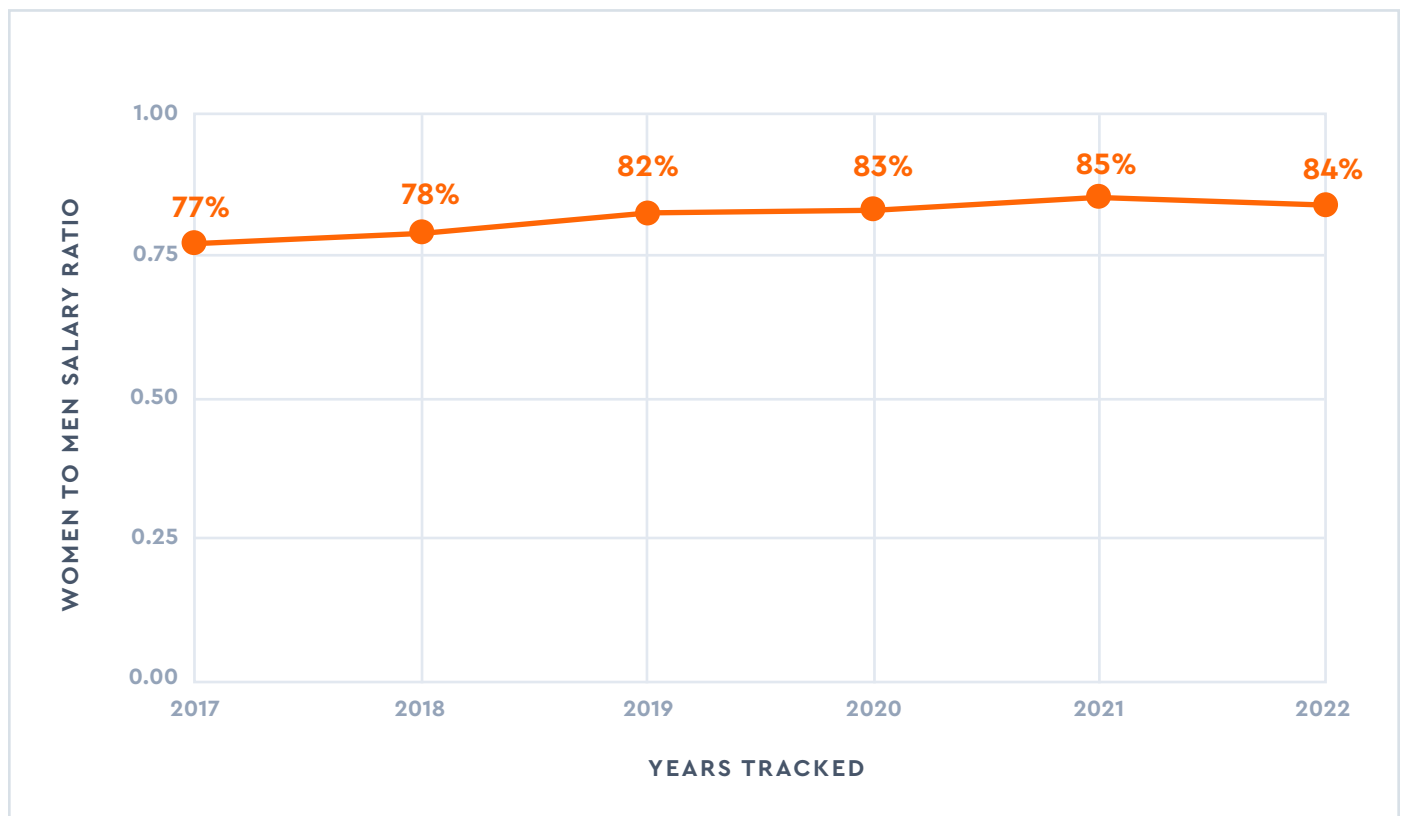


Figure 1. In contrast to the previous five years, the women-to-men pay gap has widened. Source: Visier Community Data



## What does this mean for organizations?

In order to recoup gains and continue to see progress, organizations will need to make pay parity a priority in 2023. With only seven years remaining until the 2030 deadline, annual pay equity must increase by over two cents per year, an achievable rate of change that was seen between both 2018-2019 and 2020-2021.

If, however, the U.S. remained at the average rate of change over the last five years, parity would not be reached for 13.5 years—until 2036. Even worse, there is the risk that the decline in pay parity in 2022 could be replicated in 2023 due to the impact of adverse economic conditions and inflationary pressures.

## How are women in management roles faring?

The regression was unfortunately similar for women in management roles. Between 2021 and 2022 the pay gap for women in management roles fell by \$0.01, reducing the overall pay parity from \$0.90 to \$0.89 (Fig. 2).



Figure 2. The women-to-men salary ratio for women in management positions also fell in 2022 compared to previous years. Source: Visier Community Data

As managers are paid significantly more than non-managers, the closing of the “Manager Divide” between men and women could, along with the female edge in skills and education, help usher in more gains for women in the longer term. In our 2021 report on the Manager Divide<sup>3</sup>, we uncovered that employers were supporting the development of women aged 35 to 40 who were increasingly making gains in the share of manager positions since 2017.

A continued focus on closing the manager divide and ensuring equal pay for women and men in non-managerial roles will ultimately result in a more just and equitable world of work for all.



## Methodology:

At the core of Visier Insights reports is Visier's unique database of anonymized, standardized workforce data, which contains over 15 million employee records from more than 25,000 companies. For this report, we focused on a subset of 2.7 million U.S. employees in the years 2017 to 2022 across 102 enterprise organizations.

Companies included in this report represent a wide range of industries, including Healthcare, Technology, Financial Services and Insurance, Energy, and Manufacturing. For each of the included companies, Visier ensured a high degree of confidence in both data availability and quality for the topics and time period being covered by the report.

## Endnotes

1. Visier Insights™ Report: The State of Gender Pay Equity in 2022. (2021). Visier.  
<https://downloads.ctfassets.net/lbgy40h4xfb7/2p4pz4cfLA5UmmmbU4nKsNi/79d9ef402328e3eacd9227a1e3232863/State-of-Gender-Equity-Pay-2022.pdf>
2. <https://www.equalpayinternationalcoalition.org/epic-and-the-2030-agenda/>
3. Visier Insights™ Report: Gender Equity and the Problem of the Manager Divide. (March, 2021). Visier.  
<https://www.visier.com/wp-content/uploads/2021/02/Visier-Insights-Report-Gender-Equity-and-the-Problem-of-the-Manager-Divide.pdf>

# About Visier

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