



Lost Opportunities: The pandemic's impact on Northeast Ohio's working women

PREPARED BY



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This report is a supplement to Team NEO's annual *Aligning Opportunities* report, which serves as the foundation of the organization's talent strategy. Team NEO saw an opportunity to research the impact of the COVID-19 pandemic on working women through a diversity, equity and inclusion lens. By socializing the findings in this report, our goal is to initiate conversations on how and why gender inequity is contributing to talent gaps throughout the Northeast Ohio Region.

In this report you will find:

A historical look at women in the labor force

- From the mid-1900s through 2020
- The wage gap throughout history

COVID's impact

- Both nationally and regionally
- How education plays a factor
- Implications on the poverty levels

Representation of women in the Northeast Ohio labor market

- Including industries, occupations and annual earnings
- Women-owned businesses

Case studies of programs advancing women in their careers

"We have yet to fully understand the long-term impact of the pandemic on our world, let alone the ways in which groups of people are being, and may be, affected. What we do know is that its effect is not uniform and we will need to unpack this in order to minimize possible negative long-term implications and create a better future for all."

- Jodi Berg, PhD
President & CEO, Vitamix Corporation
Team NEO Board Chairwoman



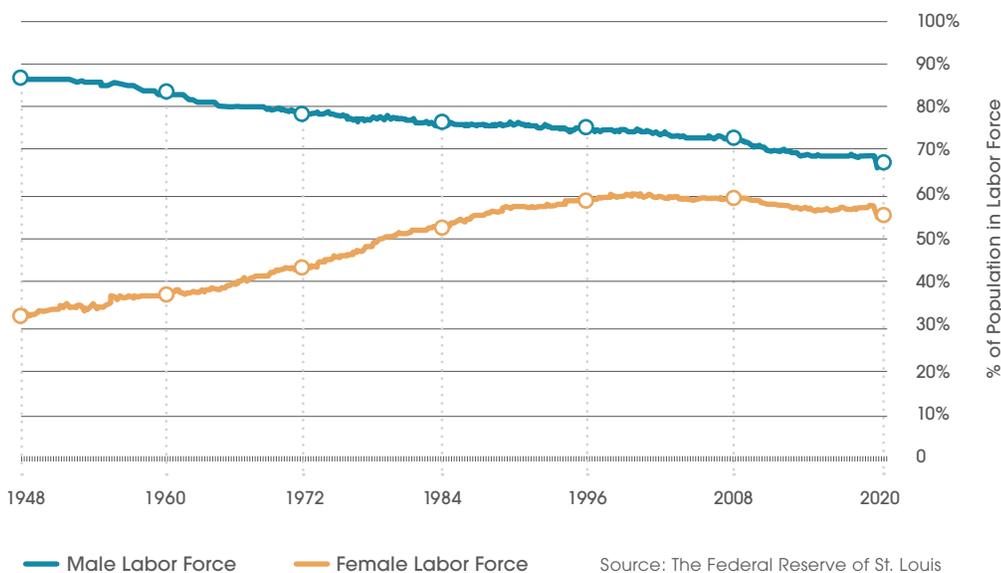
Women in the Labor Force

For many women, advancement in the workforce has often been tied to societal norms, economic opportunity, and access to education and child care. Depending on the moment in history, women have either been elevated or restricted from participating in the workforce or advancing their careers. This report looks at COVID-19's disparate impact on women, and also highlights working female representation in Northeast Ohio driver industries and in-demand occupations and opportunities to advance women.

Before the Pandemic

Nationally, labor force participation among women has been rising since 1948, peaking in 2000 (at its height in 2000, women's participation rate was 60.3%, while men's was 74.9%). According to the Federal Reserve Bank of St. Louis, women's national participation increased by nearly 1% from 2016 to 2019.

National Labor Force Participation Rate of Men versus Women



In 2019, women represented **45%** of all hours worked in the Northeast Ohio Region.

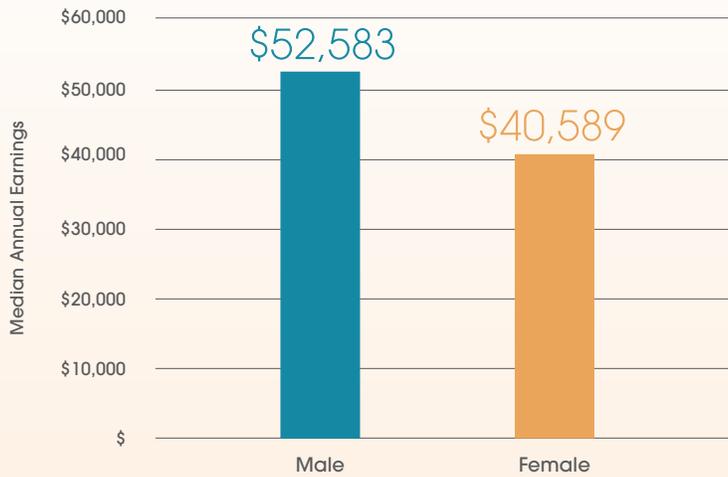
Source: 2019 U.S. Census

Increased labor force participation among women has led to improved wages, however the gender wage gap has remained steady. Northeast Ohio women spent an average of 36 million hours working in 2019, more than 45% of all hours worked in the region. Despite this, working women earn an estimated 23% less of working men's wages.

COVID-19's impact on women has shifted the national dialogue to focus on how women's advancement opportunities may be affected for those who have made the difficult decision to leave the workforce temporarily or permanently. In particular, leaders and activists are pointing out that when trying to reenter the workforce, women may not be able to return at the same level positions and/or wages.

Women earned **23% less** than men

Northeast Ohio Gender Wage Gap



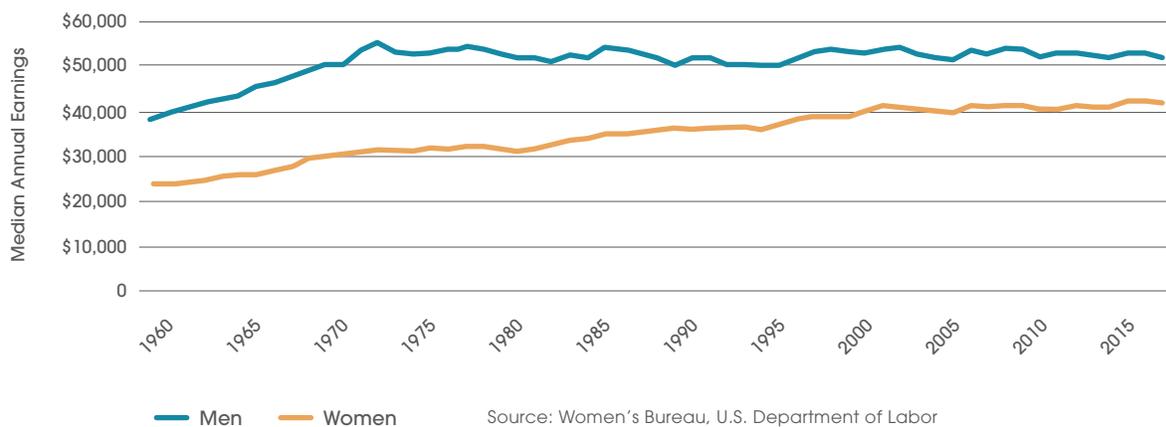
Source: 2019 American Community 5-year estimate



Prior to the COVID-19 pandemic, more women took on leadership roles. In fact, vice president roles grew from 23% to 28% - and from 17% to 21% in C-suite positions.¹ Women-owned businesses had also been growing at an impressive pace: They represented 42% of all businesses, employing 9.4 million workers and generating \$1.9 trillion in revenue.² However, women continued to be underrepresented in technology and manufacturing, two high-paying growth industries. Half of these women-owned businesses are beauty salons, day care centers, animal care facilities, home health care services, law firms, bookkeeping companies and consultancies, many of which were shut down during stay-at-home orders.

Evolving pandemic restrictions, consumer behaviors and child care policies will determine the type and timing of opportunities for women to reenter the workforce and restart their businesses.

National Gender Wage Gap



Source: Women's Bureau, U.S. Department of Labor

¹ Women in the Workplace 2020 - LeanIn.Org and McKinsey.

² McKinsey, from American Express State of Women-Owned Business Report 2019

COVID's Impact on Labor & Households – Nationally & Regionally

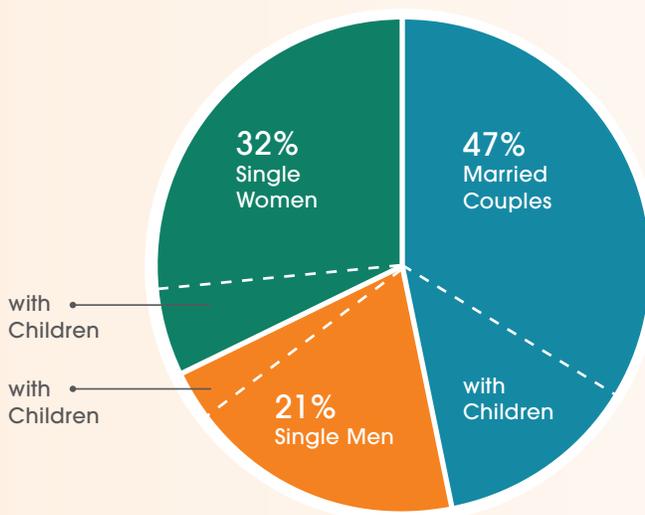
According to Moody's Analytics, almost a third of workers were afraid of losing their jobs and getting hours and paychecks cut toward the end of 2020.³ The Bureau of Labor Statistics (BLS) reported substantial job loss at different points of the year; however, its September's report showed hundreds of thousands of women lost their jobs or left the workforce – **four times the number of men.**

Various news sources have reported on the disparity of jobs lost by women of color, than jobs lost by white women. For Example, *USA Today* reported that over 37% of the 865,000+ women who left the labor force last fall were Latina.

In the Northeast Ohio Region, single mothers make up 6% of households. Couples with children, which make up 17% of Northeast Ohio's households, experienced greater job and income loss than those with children who no longer live at home. These were the groups affected by closures of day cares, schools, playgrounds, camps and other child-centered activities.

Do you know the makeup of your community?

Based on your regional demographics, the pandemic's impact on your workforce may require more attention.



Breakdown of Household Types in Northeast Ohio

Source: 2019 American Community 5-year estimates

Moody's Analytics found that women were **"twice as likely as men"** to reduce their work hours among couples living together."³

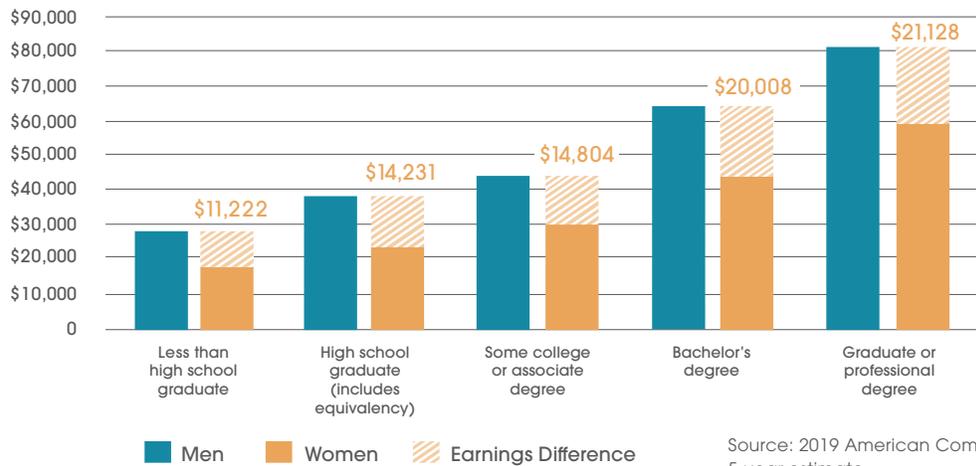
Slowly, the economy is bouncing back from the early impacts of the pandemic, as restaurants, bars, schools and businesses test reopening with public health and safety protocols. Lost jobs, however, are not necessarily coming back.

Seeing these high levels of job loss, in particular in so many occupations held by women, has prompted national and regional discussions on what this means for women in the workforce. The question of how COVID-19 will affect women's short- and long-term opportunities for higher wages and advancement is of particular concern.

COVID's Impact on Women – Nationally & Regionally

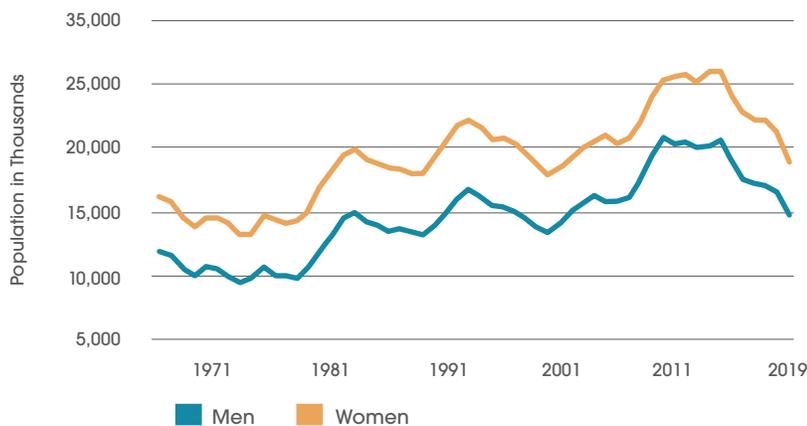
Education is one of the greatest pathways to higher earnings and wealth generation. For women, however, having access to the same educational opportunities as men does not necessarily lead to equitable earnings. The gender wage gap persists at each level of educational attainment.

**Median Earnings by Educational Attainment
by Gender in Northeast Ohio**



The gap in wages increase with educational attainment; or women with a Bachelor's degree earn similar wages to men with some college or associate degree

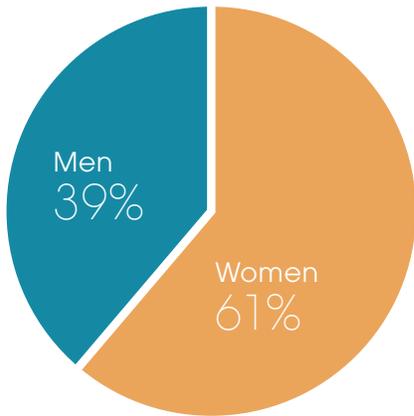
National Historic Poverty by Gender



Pandemic impact on job loss, school closures and wage loss projected to impact poverty rates for **women**.

Historical poverty data rates are also being watched as women in lower-paying jobs were impacted from the pandemic's mass closures. Like the wage gap, these rates show a persistent gap between men and women over the decades. While rates among women have decreased since the Great Recession of 2008, economists and national organizations are fearful the pandemic's job loss, education challenges and wage loss will force more people — specifically working women and mothers — into poverty.

**Northeast Ohio Working Population
Below the Poverty Level**



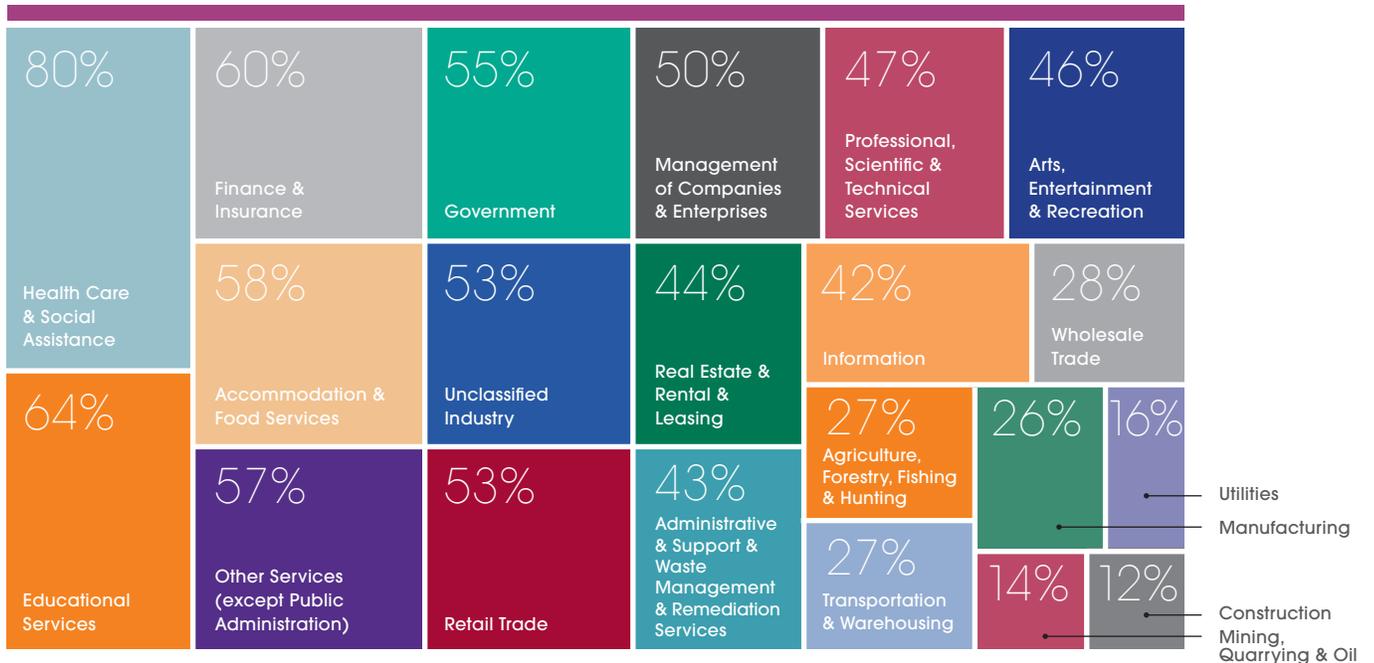
Source: 2019 American Community
5-year estimate

Women also make up more than half (61%) of the working population below the poverty level in Northeast Ohio. Working mothers and women living below the poverty level can struggle with access to transportation or remote work, quality internet, affordable child care, resources to address the special educational needs of their children and health care.

Providing women the **opportunity for higher earning potential** and greater awareness of in-demand jobs is key to addressing the number of working women and mothers in the region who live below the poverty line.

Spotlight on Northeast Ohio:
The Representation of Women in the Labor Market

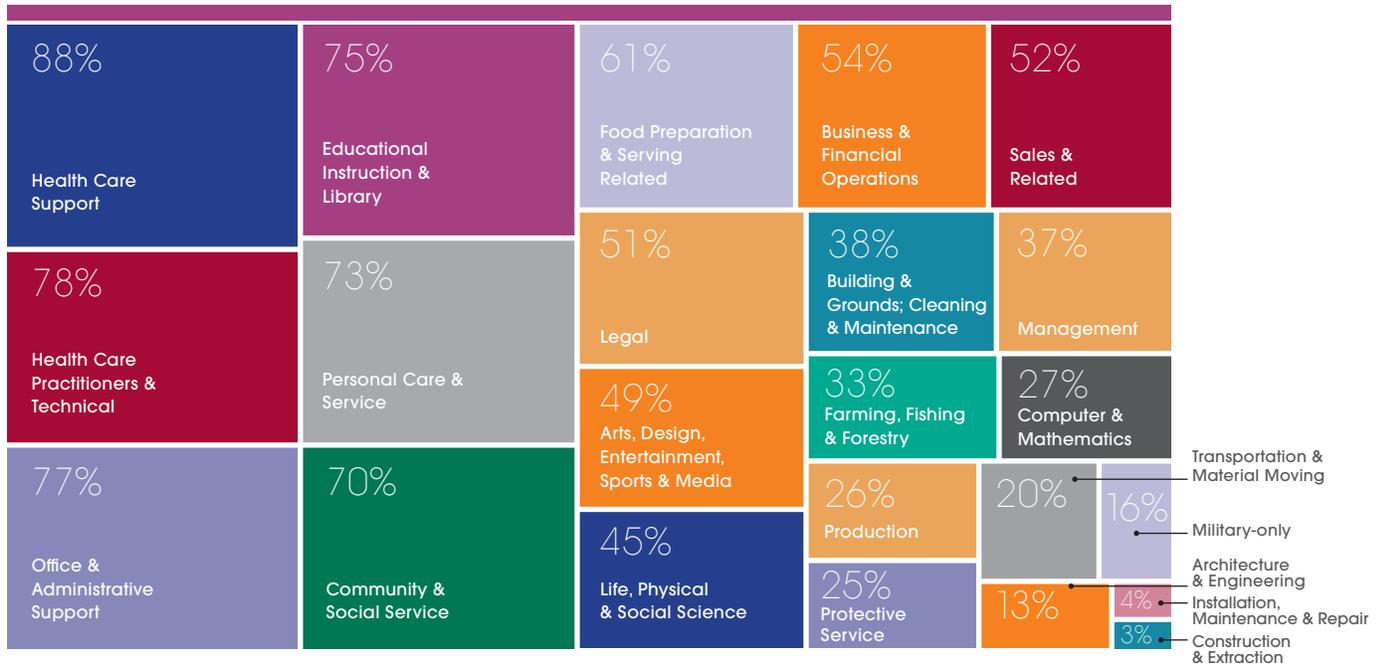
Female Representation in Northeast Ohio Industries



Source: EMSI 2020

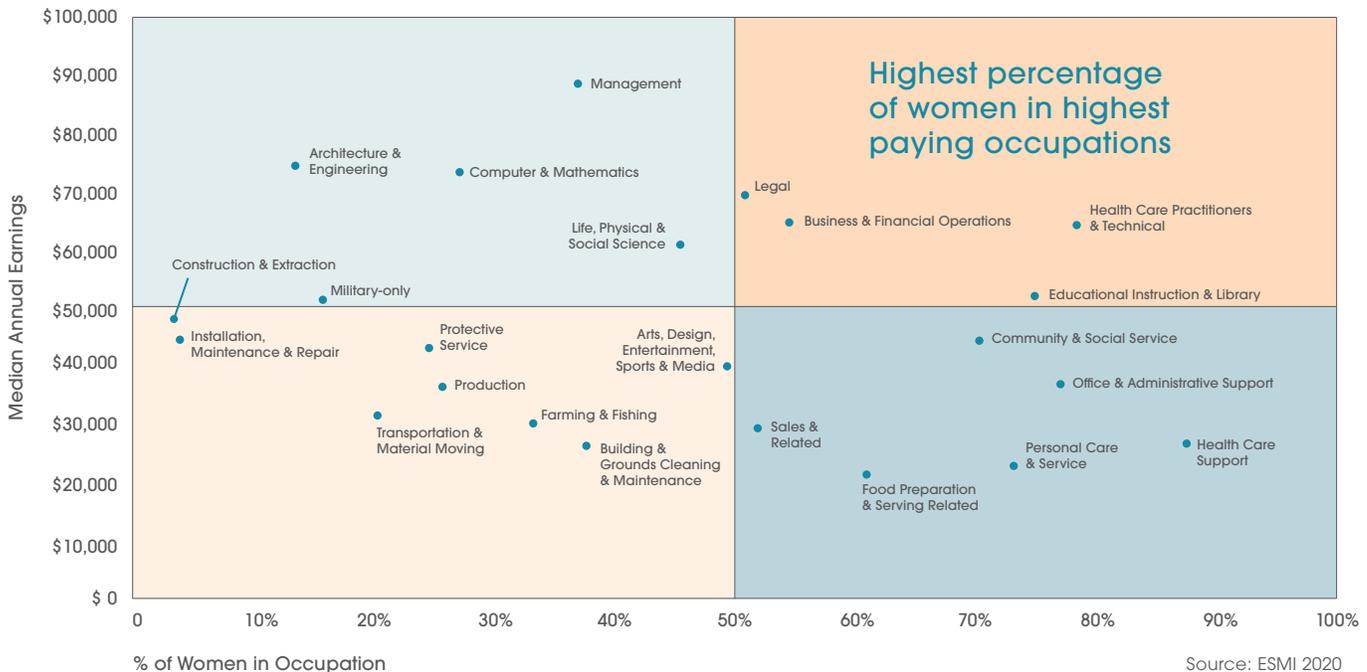
In past recessions, a downturn has traditionally halted increases in manufacturing, construction and other male-dominated fields where women have been historically underrepresented. The COVID-19 recession was different. Three of the top five sectors in the region with high rates of female employment – healthcare (-7%), accommodations & food services (-23%), and education (-13%) – accounted for employment losses of more than 70,000 jobs in 2020.

Female Representation in Northeast Ohio Occupations



In Northeast Ohio, women make up a majority of the labor force in many of the occupations hardest hit by pandemic-related changes in social distancing, business operations, and consumer behavior. Teachers, insurance agents, restaurant workers and restaurant owners, beauty stylists and salon owners, and child care providers are among those who have faced pandemic-related hardships. It is worth noting that many of these industries generate a significant share of their revenues from a client base that is primarily women or mothers, or institutions hurt by the pandemic.

Northeast Ohio's Median Annual Earnings by Occupation Among Women

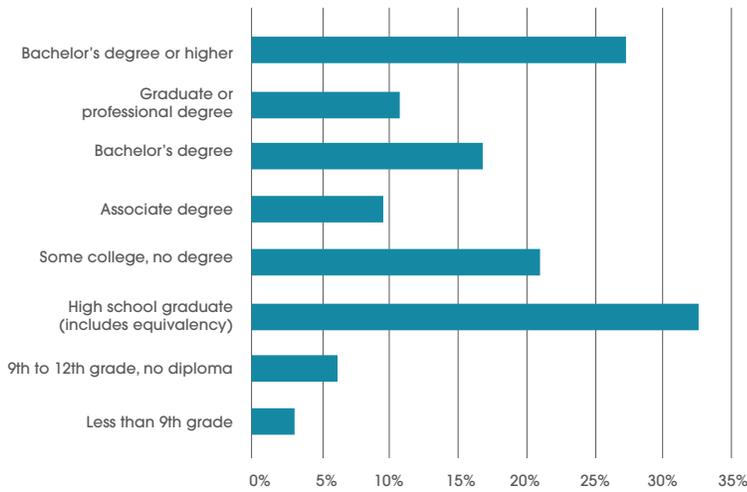


Spotlight on Northeast Ohio: Female Representation in Educational Attainment and Job Opportunities

The impact to higher education, public schools, and other educational institutions has been enormous. For two- and four-year colleges, the pandemic has cost students and institutions over \$120 billion in lost wages, refunds, and unanticipated expenses.⁴

With short-term concerns of social distancing and in-person learning, and long-term concerns of how degrees lead to full-time or in-demand careers, internships and training programs have an opportunity to encourage young adults and adult earners alike to enter into fields with which they are typically underrepresented.

Northeast Ohio Educational Attainment Among Women



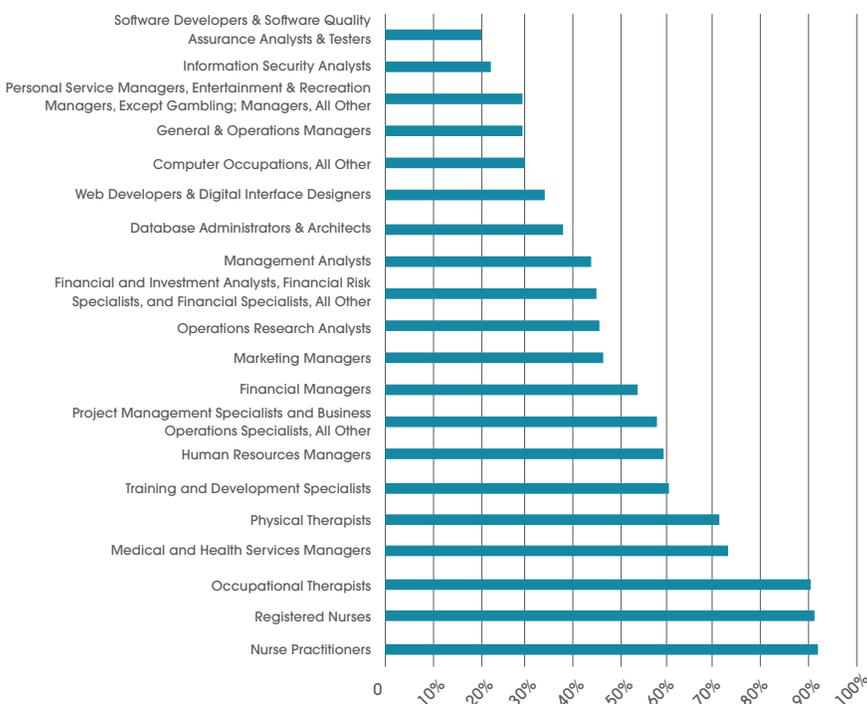
Source: 2019 American Community Survey 5-year estimate

In 2019, Northeast Ohio program completions among women exceeded 28,000, with 30% of those completions in programs that lead to in-demand jobs in the health care, manufacturing and IT fields.

Women comprised 62% of these in-demand completions. This high percentage suggests that women will play the greatest role in overcoming Northeast Ohio's talent supply/demand challenge.

This high percentage suggests that **women could play the greatest role in overcoming Northeast Ohio's talent supply/demand challenge.**

Representation in In-demand Occupations Among Women



Source: EMSI 2020

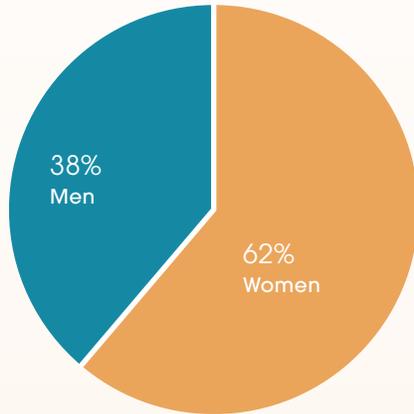
Women dominate Northeast Ohio's health care industry – a critical part of the regional economy.

There is significant opportunity for women to pursue in-demand occupations in manufacturing and IT. Regional initiatives – like Team NEO's Emerging Talent web page – are working to recruit and retain more women to these fields, strengthening the regional workforce.

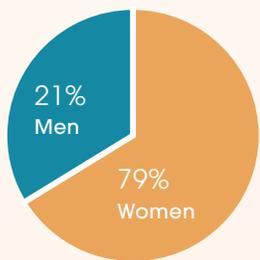
⁴ Forbes, "Pandemic's Impact on Higher Education Grows Larger; Now Estimated to Exceed \$120 Billion"

Northeast Ohio Completions in In-Demand Program Areas

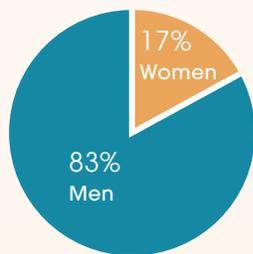
Health Care, Manufacturing, IT Completions by Gender 2019



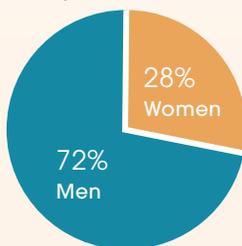
Health Care Completions by Gender 2019



Manufacturing Completions by Gender 2019



IT Completions by Gender 2019



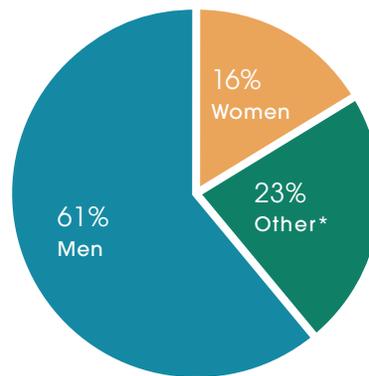
Source: IPEDS 2019

Women make up 80% of **in-demand** health care program completions

Compared to their male counterparts, female-owned businesses surveyed were **less likely** to predict higher revenues.

In August 2020, the U.S. Chamber of Commerce published a special report on women-owned small businesses during COVID-19 that surveyed women- and men-owned business owner outlooks on various characteristics including revenue, investment and hiring growth, and overall business health. Overall, the report found that women-owned businesses were less likely to predict a strong recovery in the year ahead.

Northeast Ohio Business Ownership by Gender



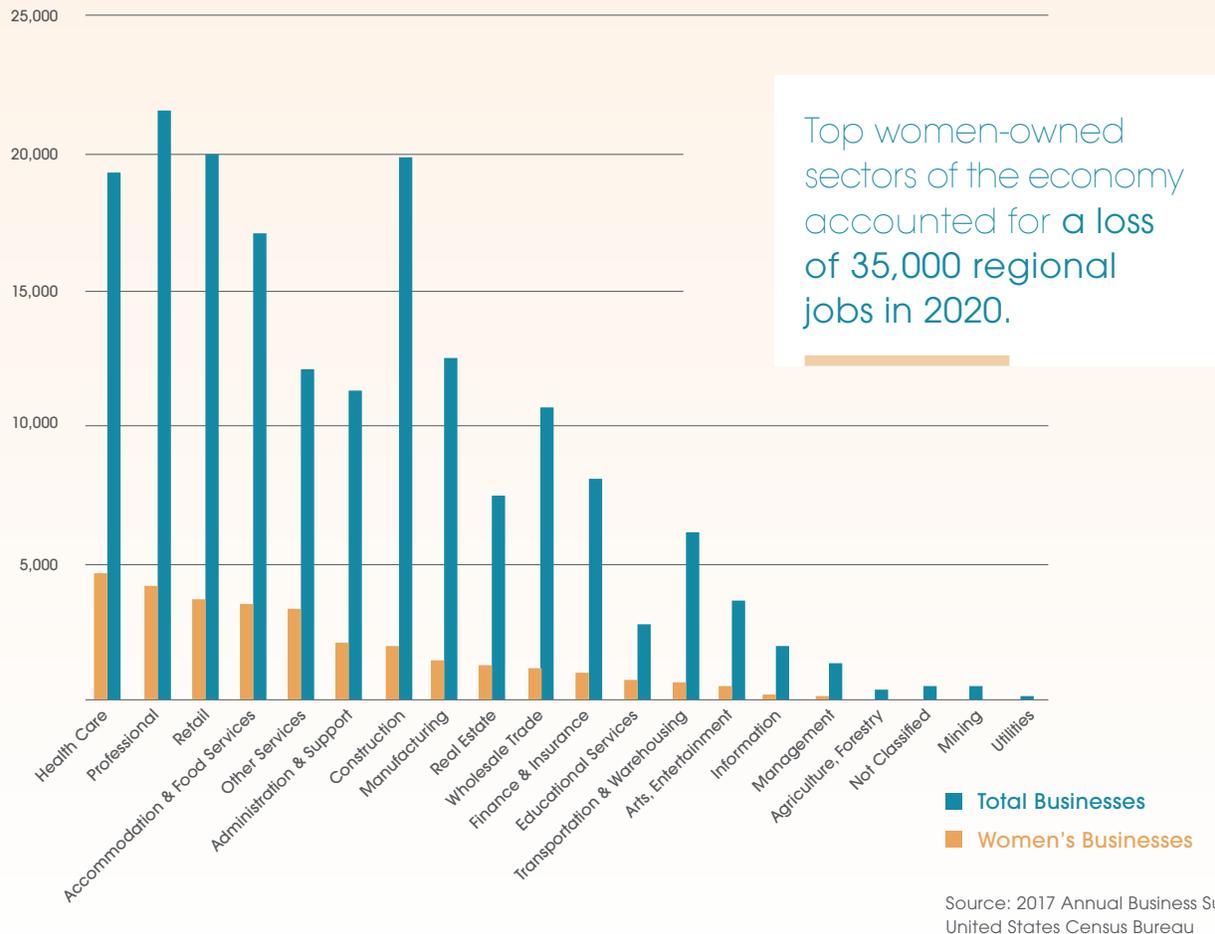
- % Men
- % Women
- % Other

*Did not identify gender and/or identified as both

Source: 2017 Annual Business Survey



Northeast Ohio Women-Owned Businesses by Industry



The 2017 Annual Business Survey shows women-owned businesses in Northeast Ohio have been concentrated in health care, professional services, retail, accommodation and food services, other services, and administrative support. These top women-owned sectors of the economy accounted for a loss of 35,000 regional jobs in 2020. With COVID's effects on these industries, female business owners and entrepreneurs may need increased support as they look to rebuild and strengthen their footprint in Northeast Ohio.

Women in the Post-COVID Workplace

Corporate leaders have an opportunity to refine their HR policies to mitigate the harmful effects of COVID-19, and also retain, promote and advance women in the workforce. Working and single mothers especially are at greater risk of leaving the workforce either permanently or temporarily, which can negatively impact promotions to higher paying roles and future wealth generation for female workers. In Northeast Ohio, women in the workforce can thrive when leaders and company cultures take these impacts into account.

Connecting Women with Opportunities

Following are examples of programs being implemented in Northeast Ohio to support women in their careers.

Engage! Cleveland

Engage! Cleveland

Women and all professionals can thrive when communities rally together. This culture of support is central to Engage! Cleveland's offerings. Its Next Generation of Women daylong event empowers young professional women to take their careers into their own hands. In addition, Engage! Cleveland conducts a survey on the state of young professionals in the Greater Cleveland community and hosts a Women's Mentorship Program to help women navigate the intersection of life and work. This is especially important now as women leave jobs that do not offer necessary family leave policies or look for higher-paying or more flexible positions. Despite COVID-19's many challenges, Engage! Cleveland was prepared to take things virtual. With a solid e-infrastructure, attendance for 2021's Next Generation of Women grew by over 50 percent and the mentorship program launched with 56 mentees and 16 mentors. This interest shows Greater Cleveland women actively want to take their careers to the next level.

www.engagecleveland.org

girl scouts of north east ohio

Girls Scouts of North East Ohio

Being a Girl Scout means more than cookies, crafts and camping. Girl Scouts of North East Ohio (GSNEO) provides opportunities to prepare young women for STEM careers of the future through programming to foster STEM interests in K-12 students, teaching students how STEM helps people and society, connecting students to role models and caring adults, and giving access to physical resources and hands-on exploration. Since 2017, GSNEO has awarded 47,616 badges to female students from kindergarten to high school. New in 2021, GSNEO has launched a partnership with America Makes that will expand STEM programming to include additive manufacturing and 3D printing technology for more than 23,500 girl members. GSNEO is striving to fill a critical gap in emerging talent education to create a more equitable future regional labor force.

www.gsneo.org

| S3TECHNOLOGIES

S3 Technologies, LLC

There is no doubt that culture plays a huge role in how successful a company is with talent attraction and retention. S3 Technologies, LLC is a great example of a small business creating a workplace culture that is conducive to the flexibility and inclusive culture employees yearn for. Even before the COVID-19 pandemic, S3 has fostered an equitable leadership model where employees, in particular women, have been able to start at entry level positions and grow their responsibilities to become part of the leadership team. During the COVID-19 pandemic, S3 prioritized the health and wellbeing of all employees and allowed for the flexibility that is essential to parents; especially women. This has allowed S3 to continue to deliver exceptional technology solutions in a time where these services were in even greater demand.

www.mys3tech.com



WOMEN IN TRANSITION

Tri-C's Women in Transition Program

Many women in Northeast Ohio that made the decision to leave the labor force during the pandemic may now be finding themselves at a point of transition in their lives. A resource to aid women re-entering the labor force is Cuyahoga Community College's (Tri-C) Women in Transition program. Before the pandemic, this 43-year-old program served over 350 women annually and is a source of information, support and retraining for women in transitional times of their lives. This non-credit program features curriculum focused on personal development, career exploration, computer literacy, and other workshops. The program now allows for more flexible learning by offering remote or in-person sessions to accommodate schedules. Program graduates have found employment with regional health care providers, businesses, hospitality management and educational institutions, including Tri-C itself. Tri-C's Women in Transition program has proven to be an equitable solution to empowering women re-entering the labor market.

www.tri-c.edu/women-in-transition

**eliminating racism
empowering women**

ywca

Greater Cleveland

YWCA of Greater Cleveland

YWCA of Greater Cleveland (YWCA) is dedicated to eliminating racism, empowering women, and promoting justice, freedom and dignity. Ringing true to their mission, YWCA has made organizational changes over the past five years to end biases and meet gaps for their staff, including raising their minimum wage to \$15 an hour. During a year of heightened racial reckoning, YWCA became a shining example for corporations looking to build policies around equity and inclusion in the workplace. For example, YWCA eliminated restrictions for PTO during the pandemic and focused on communications that put staff self-care at the forefront, helping staff thrive through difficult times. When asked about the best policy to help empower women, YWCA advocates for true universal childcare that un-burdens women from high care costs and allows them to pursue employment that generates wealth.

www.ywcaofcleveland.org



About Aligning Opportunities

This report is a supplement to Team NEO's annual Aligning Opportunities report, which serves as the foundation of the organization's talent strategy. First released in 2017 through the generous support of the Cleveland Foundation, Aligning Opportunities identifies the supply and demand misalignment within Northeast Ohio's talent pipeline, specifically within the in-demand, high-growth sectors of health care, IT and manufacturing. Since 2019, Team NEO has partnered with Delta Dental to increase awareness of Aligning Opportunities among the business and higher-education communities. We engage key decision-makers in meaningful discussions towards resolving the talent supply and equity gap, while also providing students with greater awareness of, and access to, in-demand careers.