



## Union Capital Boston Equality Baked into the Compensation Structure

### BACKGROUND

**Union Capital Boston's (UCB)** mission is to work with residents of local under-resourced communities of color to confront the structural racism that occurs amidst immense disparity and inequity. To achieve its mission, this not-for-profit organization builds networks of relationships among people who live, work and go to school in communities, such as Roxbury, Dorchester, Mattapan and East Boston. These social networks, in effect, build social capital by enabling community residents to gain better access to jobs, schools, and other needed resources, while at the same time enhancing civic engagement.

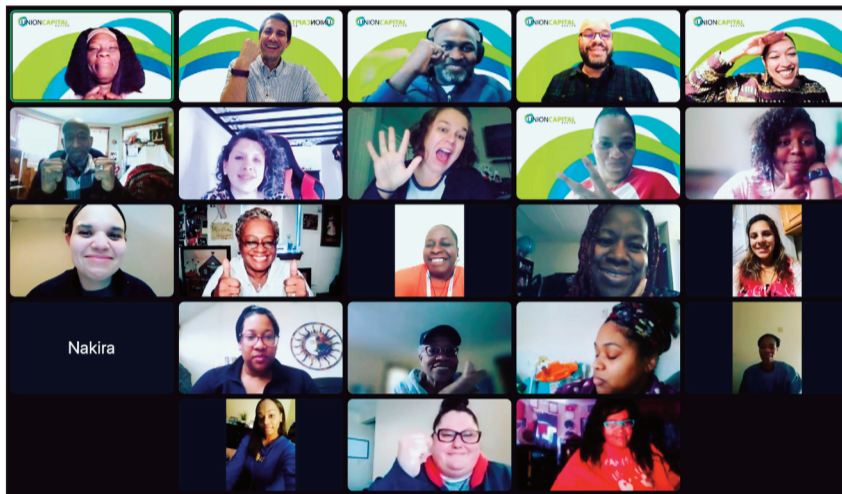
In founding UCB in 2014, Eric Leslie posed pivotal question: if social capital has so much value and can be so transformative, how do you create it and how do you sustain it? As he states, "We know that coming to meetings, helping a neighbor, voting, engaging in

community activities all have measurable, positive benefits, but how can those activities be enhanced?" In order to promote and reward community and civic engagement, UCB created a simple membership website on which residents can create an account that issues a card, like a shopper's loyalty card. But rather than earning points for buying clothing, groceries, or coffee, UCB's members, of which there are now over 3,300, earn points for their hours spent participating in community meetings, volunteering, engaging and giving back. The points UCB members earn translate on average to about \$200 a year that they receive on Visa gift cards. While this amount of money goes

nowhere near to closing the Boston-area wealth gap, it does encourage and support members to come to a meeting that they might otherwise not have time or energy for, to meet somebody, get a skill, learn about an opportunity, speak about an issue, or work together on a problem. To reach potential members, UCB partners with local institutions, including local schools/education centers, healthcare centers, and social service programs.

### What is the DEI Approach?

To ensure that no UCB employee faces discrimination based on race, ethnicity, gender or sexual orientation, UCB bakes equality into its compensation structure. UCB is led by a core team of 5: 1 part-time and 4 full-time employees. Each full-time member of the team gets paid exactly the same



annual salary, with the part-time employee earning a pro-rated share of that. A new hire gets paid the same as does the person who has been there for 8 years. Furthermore, UCB is entirely transparent, internally and externally, about this salary structure, even including it in job postings. UCB recognizes that this salary structure is unique and may not be replicable at larger organizations or in different places.

UCB also pays job finalists for their time and effort. For example, UCB had three finalists for their last open position. Each finalist was asked to develop a lesson plan for this position, to take part in multiple

interviews, and to get reference checks. UCB compensated each finalist for this time and effort. Furthermore, UCB explicitly promised each candidate that the candidate would maintain ownership and rights to the lesson plan they developed. UCB does not use it in any way after the interview process.

UCB commits to investing in its staff on equal terms. UCB's Board of Trustees recently approved a three-month, fully-compensated leave, for any member of the core team who has worked at UCB for five years. Referred to as 'restorative leaves,' they have no requirements, such as having to learn something new. Rather they are given in appreciation of hard work over the course of the prior five years.

It is important to note that UCB focuses on equality not equity. Equality assumes that each individual is given the same resources or opportunities. Equity assumes that each person has different circumstances and should be allocated the resources and opportunities needed to reach fair outcomes.

### What was the Process?

The compensation policies covered in this case study evolved from the core team's commitment to equality and transparency. Equal pay was probably

the most organic to develop, because in 2014, UCB, a startup with little money, had to set salaries. Given their resources, their initial salaries started much lower and have gradually increased each year and will continue to increase each year with Board approval. It soon evolved that everyone subsequently hired for the core team would be paid the same. According to founder and lead organizer, Eric Leslie, this policy was the least intentional. UCB leaves open the possibility of changing this policy if they grow substantially.

The other two policies – paying finalists and offering restorative leaves – were more intentional and developed after the core team members heard that other organizations had adopted them. The decision to pay finalists was made after the team read a blog post about it and then spoke with other organizations that had made that decision to include payment to finalists in their job postings. With the restorative leaves, UCB's core team sent a quick survey to Boston non-profits, asking if they offered sabbaticals and, if so, if they would share any documents relating to those policies. They received information from 8 or 9 organizations and distilled that to create their own restorative leave policy. The board of directors reviewed and discussed the draft policy and voted to approve it.

### What Were the Lessons Learned?

- Baking equality into compensation works. It contributes to low turnover, higher collaboration and buy-in to the organization's mission. It is not just the right thing to do, it works right.
- Recognize that early-stage organizations have a never-again opportunity to be mindful of setting up compensation structures that are equal or equitable.
- Consider paying candidates at the finalist stage for their time and effort in completing a pre-assigned task. Assure them that the completed task is their intellectual property, not yours.
- Be transparent about compensation. It is the best way to ensure that your organization's compensation structure is fair and mitigates the possibility of discrimination.