



COMPENSATING DIFFERENTIALS BY JULIANNE MALVEAUX

What advice can I give women of color who want to be fully engaged in the process of service and excellence? Advice is like seed when the brain is like soil. According to the parable of the sowers, seed sometimes falls on rocky ground, and sometimes on fertile ground. People hear advice, but they don't heed advice until and unless they are ready. So I am always reluctant to offer advice, but instead, to offer guiding principles, things to consider as one constructs, navigates, and revels in a life. For those who are making a way for themselves and making choices about their energies, I offer the principle of compensating differentials.

Economists refer to compensating differentials from a labor market context. The principle essential suggests that markets compensate for distasteful, intense, or undesirable labor market conditions with extra pay. Unionized workers that pick up garbage, for example, are paid more than other workers with similar skills but cleaner jobs. The night shift pays more than the day shift. While I can think of many cases where there is little compensation for differentials (household workers often face undesirable work conditions but don't get extra money for it), I often use the term "compensating differentials" loosely to suggest that every great situation has balancing factors and every choice we make has its varied compensations, some that comp and some that cost.

For example, sisters who chose to leave the labor market to raise children often watch their colleagues on the fast track and wonder about the choice they made. They miss the pay and the perks, but their "compensating differentials" are the lovely children they pour their souls into. Women on the fast track and at the top often grouse about being busy, having limited personal lives and personal time, and not having the time to "smell the roses". Yet they've made the choice to do heaving labor market lifting, and they get the pecuniary reward for that heavy lifting. Too, our society values the visible work more highly than the invisible work, but sometimes we have to separate "society values" from our own values.

The sister with a paycheck often looks at the entrepreneur and the freedom she perceives the entrepreneur to have, with wonder. Might I start a business, step out on my own, give flight to my creativity, just as she has? And the entrepreneur, especially in challenging times, looks at the sister with the regular job and check and reflect that it must be sweet to have a regular income, not to "kill what you eat" on a daily basis. When these sisters have mutual appreciation, they understand that the freedom and creativity of entrepreneurship carries the constraint of the market and the ability to generate income from ideas. At the same time, the creative employee, even if she is a CEO, is constrained by the expectations of trustees and stakeholders.

I've been on both sides of the executive/entrepreneur fence. As President and CEO of the multi-media production company, Last Word Productions, Inc., I had enormous freedom. I own the company, directed its efforts, accepted and rejected clients based on issues of compatibility, and accepted the consequences of those decisions in terms of my profit and loss statements. As President of Bennett College for Women, I answer to a Board of Trustees, and to stakeholders that range from students, faculty, staff, alumnae, and community. I maintain considerable freedom but sometimes feel like a caged bird, especially when I want to "blow off" a day to read a book, or have something burning to say about public affairs that I know is not in the best interest of my college. Is it worth it? Absolutely! I made a choice to

serve and to take an historic black women's college to the next level by creating an oasis that educates and celebrates women and transforms them into twenty-first century contributors. From time to time, I remind myself of the concept of compensating differentials to honor the choice I made to transition from entrepreneurship to higher education.

Choices need to be honored as conscious, weighty decisions. They need to be honored, not second-guessed. Having made choices – to get on the fast track, to open a business, we need to revel in the choices that we have made and to remind ourselves of the compensating differentials that are part of our chosen reality. Women have a multiplicity of choices in the twenty-first century, a multiplicity of ways to contribute and to excel. We need to embrace the multiplicity of choices and suspend judgment a bout which choices are “better” than others. At the same time, we must deconstruct biases against women in the workplace and in the world and enable women to have a greater array of choices. And we need to accept and honor the generational differences among women that suggest that, thanks to the women's movement, younger women have more choices than their foremothers had. Thus, when people look at Hillary Clinton and ask why she didn't pursue the presidential path herself instead of supporting Bill Clinton through his career, I think the question lacks the context of the times in which Senator Clinton made her marital choice. Women were barely represented in Congress in xxx, when Hillary Clinton graduated from Yale, much less touted as possible Presidential candidates. Clinton shattered the glass ceiling for women with her historic 2008 campaign, but the concept of compensating differentials shaped many of her choices and many of the outcomes.

So, I've been asked to offer advice to women of color who are leaders, and I'm offering the concept of compensating differentials. Throughout my career I have had much advice, some that I've heeded and some that I haven't. Advice is like seed when the mind is like soil. You accept the seed only when you are ready to receive it. So there's advice – talk half as much as you listen; smile; keep it real and keep it positive; luck is work plus opportunity; everything you need to know about people management you can learn in the chapter, Romans, in the Bible; model yourself after the leaders that you'd like to be. All of that is true! I offer the concept of compensating differentials to remind us that every wonderful opportunity has a compensating differential, that opportunities to lead and to excel are blessings to be grateful for, and blessings to put into perspective. When the grass looks greener, remember the choices you made, why you made them, and enjoy the concept of compensating differentials.