

Pay Equity

Progress Slow on Pay Equity, Advocates Say

Progress has been agonizingly slow on gender pay equity, advocates say.

“There’s been no real change in the past 10 years, no progress in closing the race or gender wage gap,” Maya Raghu, director of workplace equality and senior counsel with the National Women’s Law Center, told Bloomberg BNA Sept. 14. Matters are “significantly worse for women of color.”

Women’s earnings rose 0.9 cent in 2016 against every dollar men make, but remained stuck at around 80 cents overall, according to an analysis by the National Women’s Law Center of U.S. Census Bureau data released earlier in September.

“It’s been my assessment that we’re not making that much progress compared to a year or a year and a half ago,” Janine Yancey, president of San Francisco-based online workplace compliance training company Entrain, told Bloomberg BNA Sept. 14.

Signs of Hope? On the other hand, “there’s a real appetite to ban salary history requirements in hiring,” Anne Hedgepeth, interim vice president of public policy and government relations at the American Association of University Women, told Bloomberg BNA Sept. 14. Bills were proposed in 25 states and passed into law in some, she said.

A glass-half-full view of the wage gap was offered by Ariane Hegewisch, program director, employment and earnings at the Institute for Women’s Policy Research in Washington. “There’s been a little bit of progress,” she said, with the wage gap narrowing for the first time “in a statistically significant way from year to year,” she told Bloomberg BNA Sept. 13.

For “name-brand companies,” she added, “it clearly matters to them to show that they take this seriously as an issue,” by conducting internal audits and setting up “mixed recruitment panels to ensure they are getting a diverse slate of candidates when they recruit.”

It’s somewhat surprising progress has been so uneven given the increased amount of time HR professionals say they devote to pay equity, according to a recent WorldatWork survey.

Almost half (43 percent) of respondents “said they spend more time on it now than they did this time last year,” and six in 10 said their organization monitors for pay equity at least annually, WorldatWork said.

How Employers Can Help “Corporate leadership is incredibly important on this issue,” Raghu said. Self audits are a necessary first step so employers can see where pay disparities exist and work to eliminate them. Transparency, review of compensation-setting policies, and ensuring objective standards are used in pay-for-performance systems are all helpful to that end, she said.

In addition, employers “can support potential employees as they navigate the hiring process,” Hedgepeth said, including by not asking for salary history even if that practice isn’t prohibited by local or state law.

“HR people from large companies say they would be crazy if they would rely on prior history, because they could inadvertently import discrimination and mess up their compensation strategy,” Hegewisch said.

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The National Women’s Law Center offers resources on employer best practices for pay equity at “Advancing Equal Pay: Innovative Employer Approaches” (<https://nwlc.org/resources/advancing-equal-pay-innovative-employer-approaches/>) and “Employer Leadership to Advance Equal Pay: Examples of Promising Practices” (<https://nwlc.org/resources/employer-leadership-to-advance-equal-pay-examples-of-promising-practices/>). The WorldatWork survey results are available at <https://www.worldatwork.org/adimLink?id=81848>.

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