How Pay Equity has helped Conrad N. Hilton Foundation to build trust and credibility with their staff and board

The challenge

The Conrad N. Hilton Foundation team's commitment to paying their people fairly has always been part of their compensation philosophy. But after recent social justice movements and the COVID-19 pandemic highlighted racial and gender-based discrimination inequities, the team wanted to take further action to ensure that their pay practices were fair, equitable and transparent now and in the future.

The pay equity goal at The Conrad N. Hilton Foundation was to confirm that they were paying employees for their experience and performance - with no bias on protected categories such as: gender, ethnicity, age, sexual orientation, and disability. As a smaller organization, it is often difficult to perform accurate statistical analysis, so they wanted a pay equity solution that made it simple. Using Pay Equity was the first time the team had used pay equity technology to ensure their pay efforts were aligned and living up to the standards of the organization.

The solution

In 2020, The Conrad N. Hilton Foundation worked with pay equity experts at PayScale (formerly CURO) to perform a pay equity analysis. They had been conducting manual pay equity analysis for a number of years but using Pay Equity software added consistency to their analysis and introduced the statistical element that helped uncover interesting pay themes such as potential occupational and vertical segregation issues. Looking at unadjusted pay gap outcomes also gave greater insight into DE&I actions that could improve representation across the organization. Using PayScale's technology also helped increase transparency and trust by allowing the compensation
team to share results with the rest of their workforce for the first time since conducting pay equity analysis.

**Key types of analysis used**

**Root cause analysis**
Understand the underlying reasons for pay inequity to address systemic and structural issues, rather than just the symptoms.

**Cohort analysis**
Group employees who perform equal or substantially similar work into pay analysis groups (PAGs) or cohorts to review potential pay equity disparities.

**Multivariate regression analysis**
Identify the significant factors that drive pay variance and isolate the ‘illegal’ pay gaps.

**The results**

By using Pay Equity software, The Conrad N. Hilton Foundation was able to:

- Demonstrate that they had achieved pay parity by ensuring employees in the same salary band are paid fairly to one another, regardless of their gender or ethnicity
- Uncover pay representation discrepancy, enabling them to ensure that equal opportunity for growth is fair when promoting for new opportunities or developing employees
- Increase transparency by sharing pay equity analysis results with employees for the first time

**About Payscale**

As the industry leader in compensation data and technology, Payscale helps organizations #getpayright. Payscale is the only technology solution for managing compensation that provides multiple streams of fresh, transparently curated and validated salary data.


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“As HR professionals, PayScale (formerly CURO) has added another level of comfort for us to know that we’re doing it right. Pay Equity has helped to build trust and credibility with our staff and board by sharing results from our analysis and it helps make our annual pay audits a lot easier.

Tamara Lewis
Talent & Culture, Vice President at Conrad N. Hilton Foundation