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Pay equity analysis readiness questions

5-Minute Fill Out: Pay Equity Analysis Readiness Questions

Looking to kickstart your pay equity journey but not sure where to start?

With gender and pay inequity in the workplace dominating headlines around the world, and increasingly throughout the 2020-21 global pandemic, HR teams and their company stakeholders are pushing fair pay to the top of their business priority agenda. While many organizations know that pay inequities exist, figuring out where to start and how to prioritize the work to eliminate them can be difficult.

The top 5 reasons to prioritize pay equity:

- Promotes fairness and transparency in your compensation process
- Strengthens employee trust and morale
- Increases retention and recruitment for top talent
- Enhances company competitiveness
- Improves productivity and engagement

We've created this quick worksheet to help HR and reward teams preparing for pay equity analysis and to identify the key considerations and information you will need to have at hand. Fill out this 5-minute pay equity analysis worksheet to determine your level of readiness and gain a better understanding of considerations before conducting your own pay equity analysis.

Question	Answer
What is your company's current position? Have you done any analysis before?	
What are your goals? Is it purely legislative compliance or is it because you believe this is the right thing to do? Have you been compelled to do this by the employee voice or is it to improve your employer brand and drive talent acquisition?	

Question	Answer
Who are your stakeholders? They need to be considered (typically employees, executive team, shareholders, and customers) as you position on pay equity, as it can influence your brand reputation. You need to engage relevant stakeholders throughout the process. What do you want them to know about the process?	
What will pay parity mean for you? Many companies have publically declared pay parity, yet few have closed the average pay gap to zero. So, when they have declared pay parity it usually means from an equal pay perspective.	
Which employee populations are of interest in this project? (e.g., all employees, management, certain functions, locations, countries etc.)	
Total number of employees	
Locations	
Are you planning a pilot group? If so, which group?	
What protected category groups do you plan to use?	

Question	Answer
Which types of analysis do you plan to conduct?	☐ Unadjusted Pay Gap Analysis ☐ Adjusted Pay Gap Analysis & Statistical Modelling ☐ Equal Pay and Cohort Analysis ☐ Pay Remediation Modelling
How do you want to present this data at the conclusion of the first phase analysis?	
At a high level, which criteria do you see as the primary differentiators of pay (e.g., performance, time in job, time with organization, line of business, function, location, job level, etc.)? Are these consistent globally or by employee groups?	
How will you segment your employee population for pay equity analysis? Which data demographics do you normally use for this?	
How will you define "like work"? Do you have a job levelling system? Is this consistent across the organization?	
What types of compensation will you perform analysis on? Do these differ by employee groups?	
What is the source of the data that will be used in the project?	

Question	Answer
Do you wish to load the salary range mid-point or a market data benchmark to enhance your analysis?	
Do you generally calculate pay on a mean or median basis?	
Do you plan to affect individual pay remediation as a result of this analysis?	
Do you have a budget allocated currently for pay remediation?	
When do you plan to affect pay remediation - as part of your next compensation review - if so, when is this?	
How often do you plan to conduct pay equity analysis going forward?	
Who will be the users of this system? What roles will they have and what access to data or functionality if restricted?	
Are there any other reporting requirements you want to address (GPG reporting, EE01 reporting, etc.)	
Any other notes?	

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. Combined with modeling engines that learn continuously and generate recommendations and insight, Payscale empowers HR to price jobs and adjust compensation to reflect near real-time changes in the market — all on one trusted data platform.

With Payscale's Adaptive Compensation Advantage, teams operate with efficiency, focused on outcomes rather than manual data management. To learn how companies like The Washington Post, Perry Ellis International, United Healthcare and The New York Times rely on Payscale to attract and retain top talent, motivate and engage employees and plan their future workforce, visit payscale.com.

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