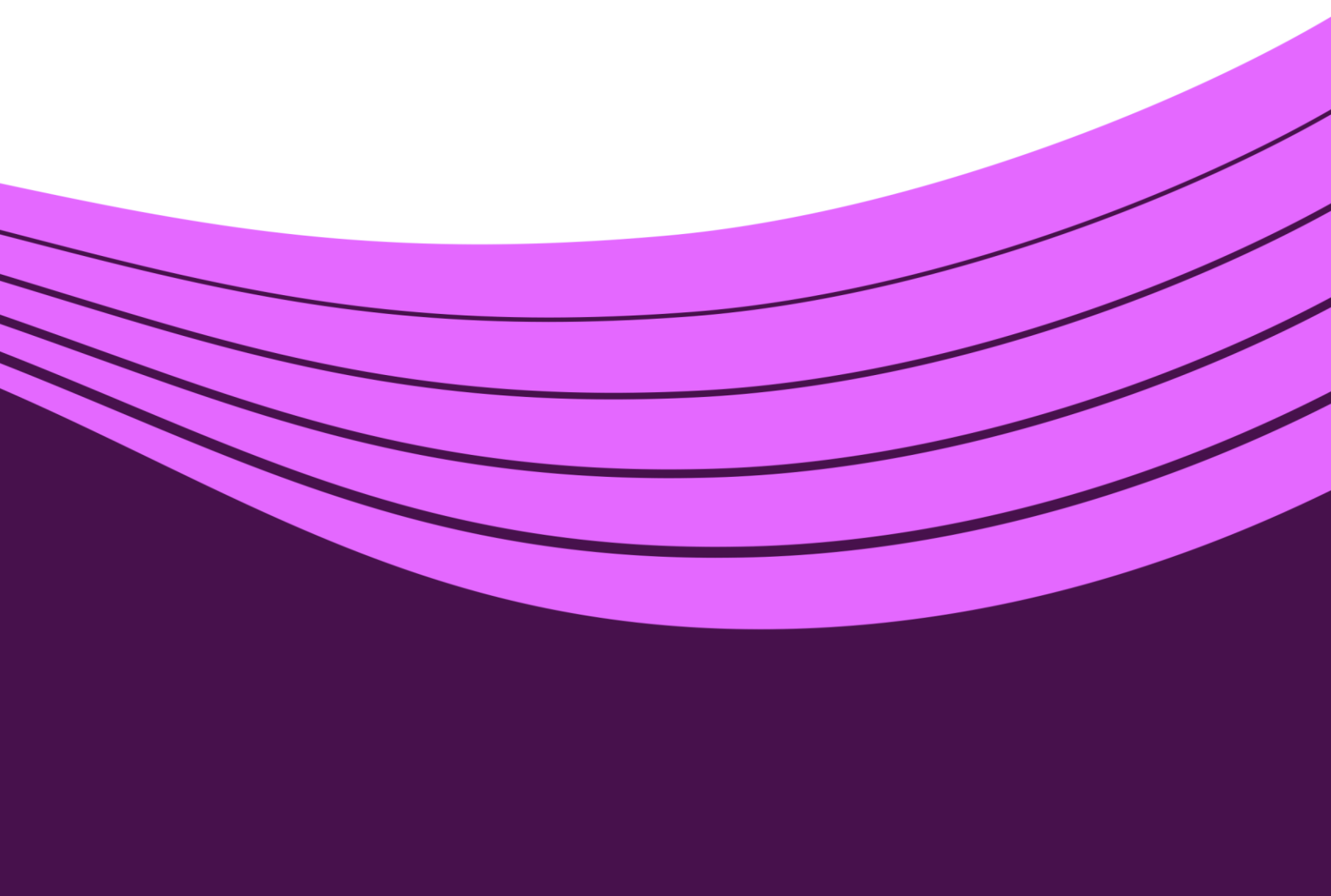


GUIDE

Dollars and Sense: The Ultimate Guide for Closing Wage Gaps

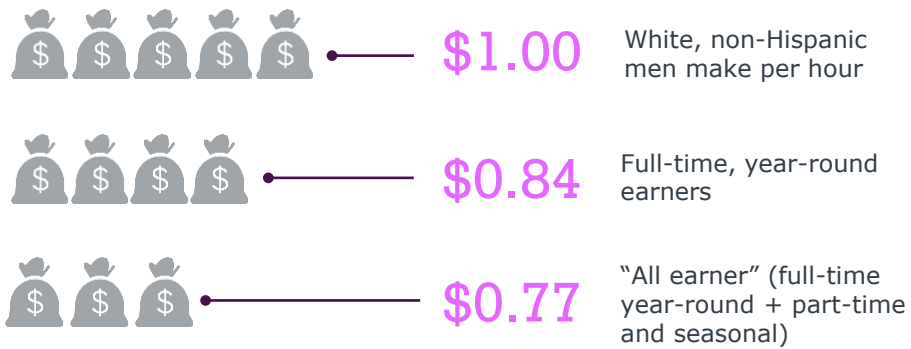


The Value of Pay Equity

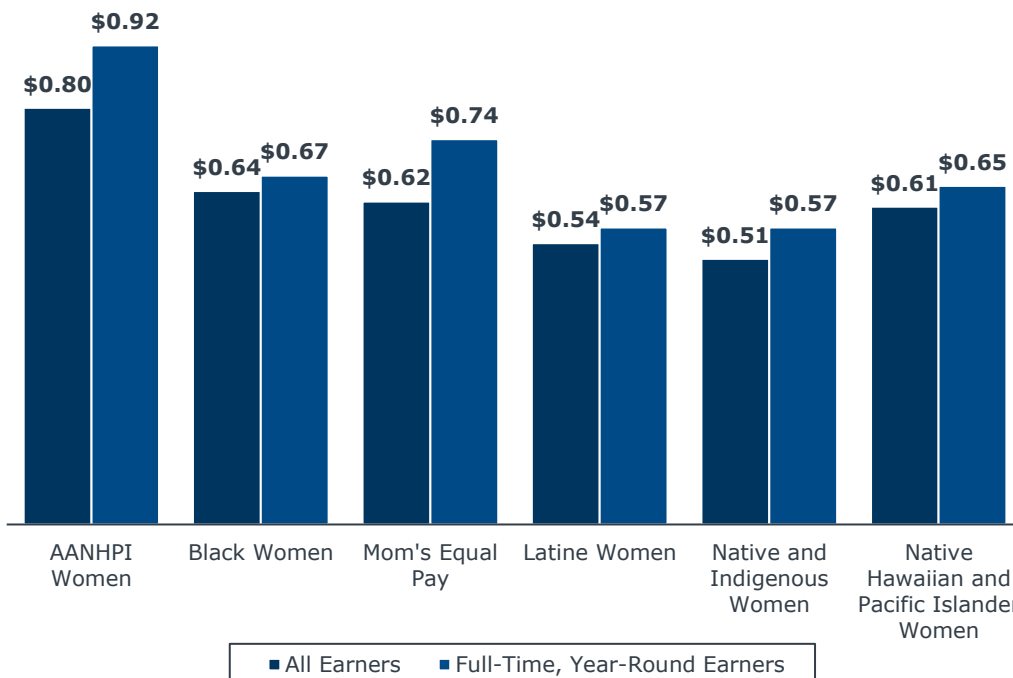
Pay equity, an increasingly common corporate concern, assesses whether employees with similar job functions, experience, and reviews should receive comparable pay, regardless of gender, race, or ethnicity. Pay equity ensures all employees receive fair compensation for their job level and removes opportunities for gender, race-based, or other forms of discrimination.

In 2022, Seramount’s US Inclusion Index found 93% of Index companies conduct pay equity analyses, and 79% of surveyed companies perform pay equity reviews encompassing both race/ethnicity and gender. In the United States, employees of color often faces multiple barriers that prevent them from advancing in the workplace. Underrepresented talent often face discrimination in the workplace, such as slower advancement and lower performance ratings, which leads to lower salaries.

Unbalanced Books



Women of Color Are Still Paid Less



Source: Seramount sources research; Equal Pay Today, "Overview," <https://www.equalpaytoday.org/overview>.

Combating the Pay Gap

Pay equity affects women globally.



Many countries are passing laws to ensure the pay gap between men and women is becoming smaller. Organizations are following their local systems to reduce the size of the pay gap. Here are a few best practices that all companies around the world can take to make their workplace a more equitable one:

Communicate Compensation Metrics



Pay Audits/Analysis

Analytical tools, such as pay audits, enable employers to review pay rates and determine wage disparities.



Frequency of Pay Analysis

Conduct regular pay audits, and increase the frequency as needed based on your organizational needs.



Pay Transparency

Pay transparency allows employees to see for themselves how their compensation compares to those of other employees. This can help foster a culture of organizational trust and accountability.

Ways to Close the Pay Gap



Make Pay Adjustments

If inequities exist, companies must then take steps to rectify the discrepancies through pay adjustments or other initiatives.



Review the Talent Pipeline

Many companies have found pay disparities because of a lack of diversity in senior roles.



Develop Sponsorship and Mentorship Programs

Companies can create programs to establish formal opportunities for underrepresented talent groups to gain access to new connections and career support from executive decision-makers to build reputational capital.



Conduct Bias Training

Conscious and unconscious bias can lead to managers using discriminatory practices, which results in differences in the compensation offered to employees or fewer people from underrepresented backgrounds attaining more senior roles with higher pay.

Source: Katherine Haan, "Gender Pay Gap Statistics In 2024" Feb 2023, <https://www.forbes.com/advisor/business/gender-pay-gap-statistics/>; Seramount research and sources.

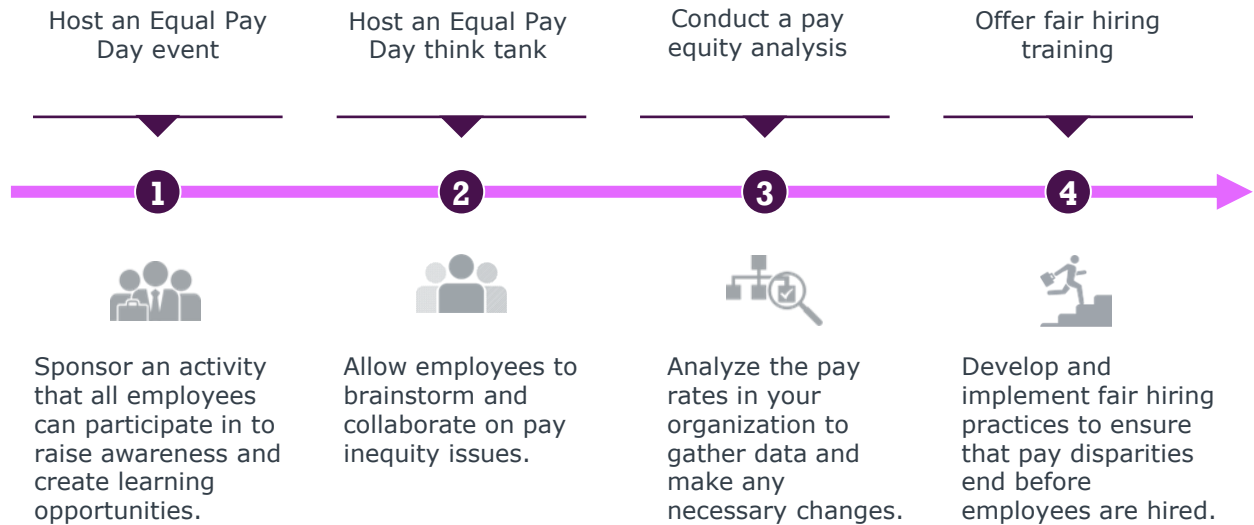
Recognize Equal Pay Day

What is National Equal Pay Day?

In the United States, National Equal Pay Day is used to raise awareness around the impact of pay inequity. The day's events mark how far into a calendar year the average woman must work to earn what the average man has earned in the previous year, using U.S. Census data demonstrating the number of days it takes to close the gender pay gap.

Equal Pay Day 2024 is celebrated on March 12.

Celebrating Equal Pay Day: Best Practices



Source: Equal Pay Day Calendar, AAUW, <https://www.aauw.org/resources/article/equal-pay-day-calendar/>; Cat Symonds, "What is Equal Pay Day and 4 ways to support it" March 2023, <https://factorialhr.com/blog/equal-pay-day/>.



How Can Seramount Help?

DEI Research Partnership Empowering DEI and HR Leaders Through Today's Toughest Workplace Challenges

What Factors Make DEI and Talent Roles So Challenging?

Tense Workplace Dynamics

- ▶ Shifting demographics lead to competing priorities
- ▶ Evolving legal landscape
- ▶ Divided employee sentiment around socio-political issues

Risk Around Every DEI Decision

- ▶ **Risk of Abandoning Commitments:** Pull back can cause disengagement and friction
- ▶ **Risk of Inaction:** Holding steady can be perceived as non-commitment
- ▶ **Risk of Misstep:** Forging ahead might turn positive intentions into unintended consequences

Balancing Two Equally Vital Roles

- ▶ Maneuver Corporate and Cultural Risks
- ▶ Safeguard Non-Negotiable DEI Investments

Three Pillars of Service to Support Leaders and Their Teams



Rigorous Research with a Global Reach

Deploying proven research methodology to identify how to make change happen

- ✓ Resources to educate stakeholders and accelerate impact
- ✓ Custom research to answer your up-at-night questions



Collective Experience of a Peer Community

Convening DEI and Talent leaders to guide and shape our search for breakthrough ideas

- ✓ CDO roundtables and experience labs
- ✓ DEI practitioner roundtables and hot-topic webinars



Commitment to Applying Lessons Learned

Facilitating buy-in for change and customizing implementation of lessons learned

- ✓ Access to expert advisors to increase your capacity
- ✓ Partner intensives bring insights to your broader team

Learn more about how the DEI Research Partnership can propel your strategy forward by scheduling a call with one of our experts.

seramount.com/contact-us



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