Salary Equity and Termination Analyses

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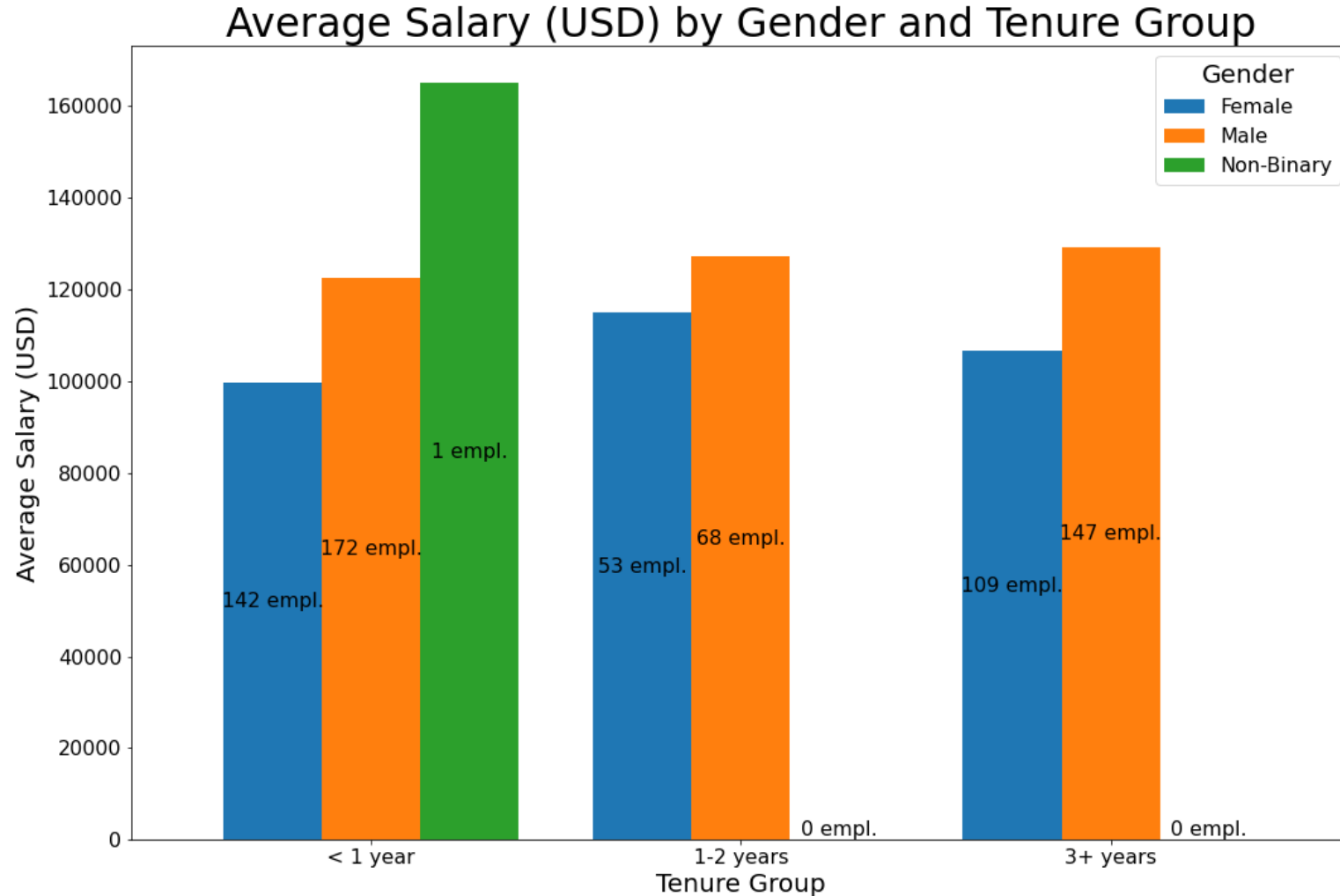
Bay Hodge

February 6, 2024

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Overview

Using global headcount data for active employees and terminated employees, we analyze:

1. Salary equity by gender in North America for < 1 year, 1-2 years, and 3+ years tenure groups

2. Monthly terminations in 2020 and 2021 by race/ethnicity for the global workforce

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Gender Equity Analysis
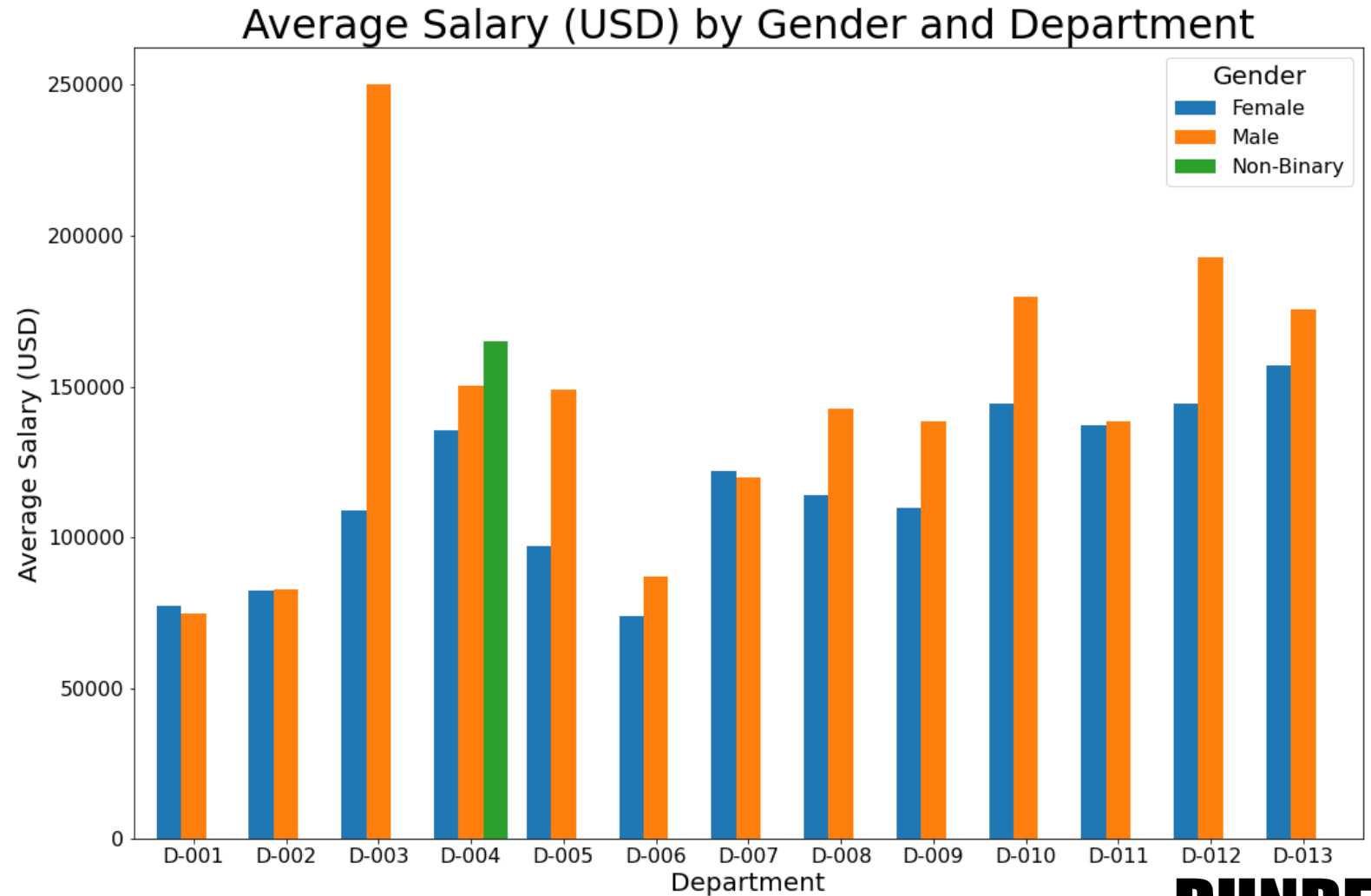

Average Salary (USD) by Gender and Tenure Group

Observations
- Mean male salary is greater than mean female salary in all tenure groups
- Difference between male and female mean salaries is statistically significant for the whole organization, the < 1 group, and 3+ year tenure group, but *not* for the 1-2 year tenure group
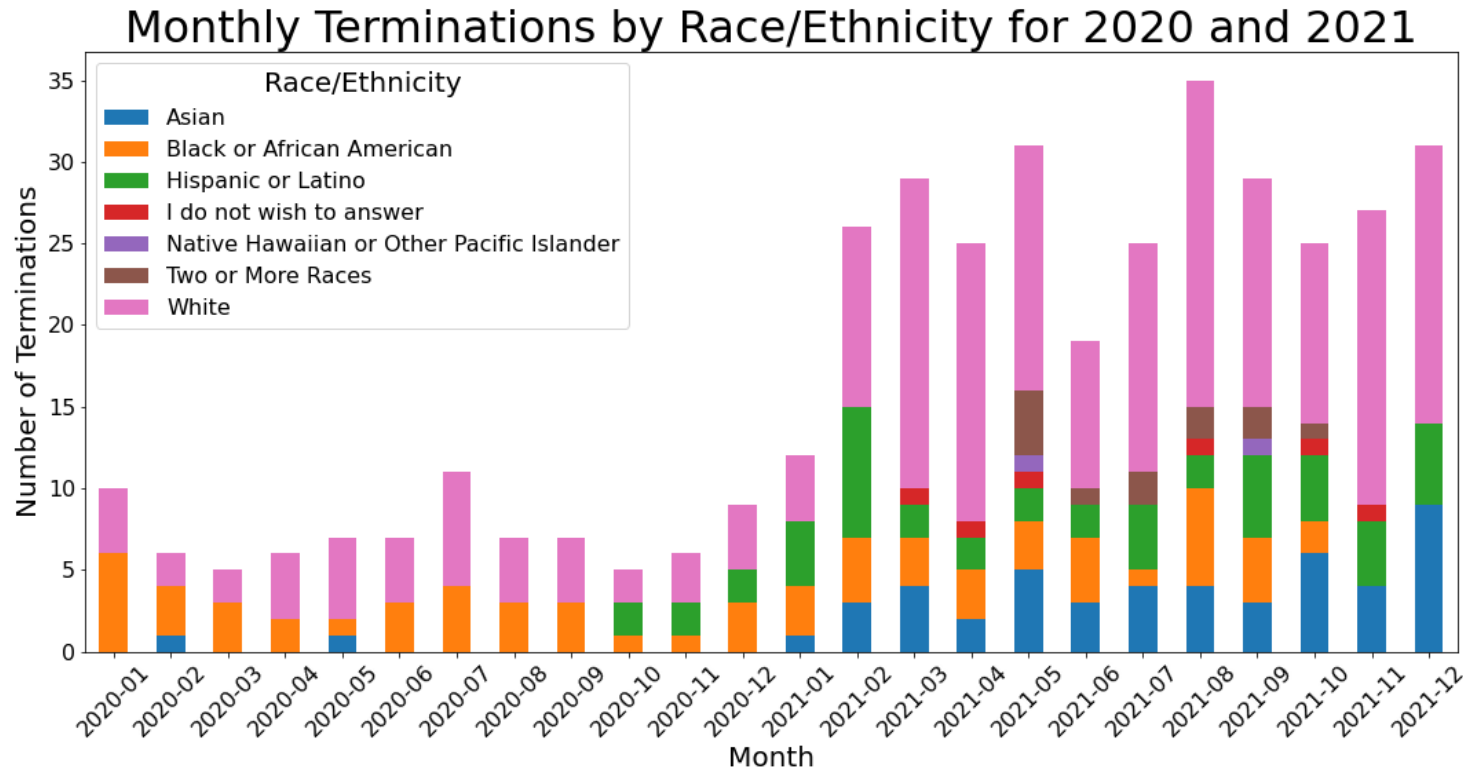
Gender Equity Analysis

Looking Forward

- Tenure group might not provide the full story
- To determine the root cause for the discrepancy, should incorporate:
  - Job titles
  - Job functions
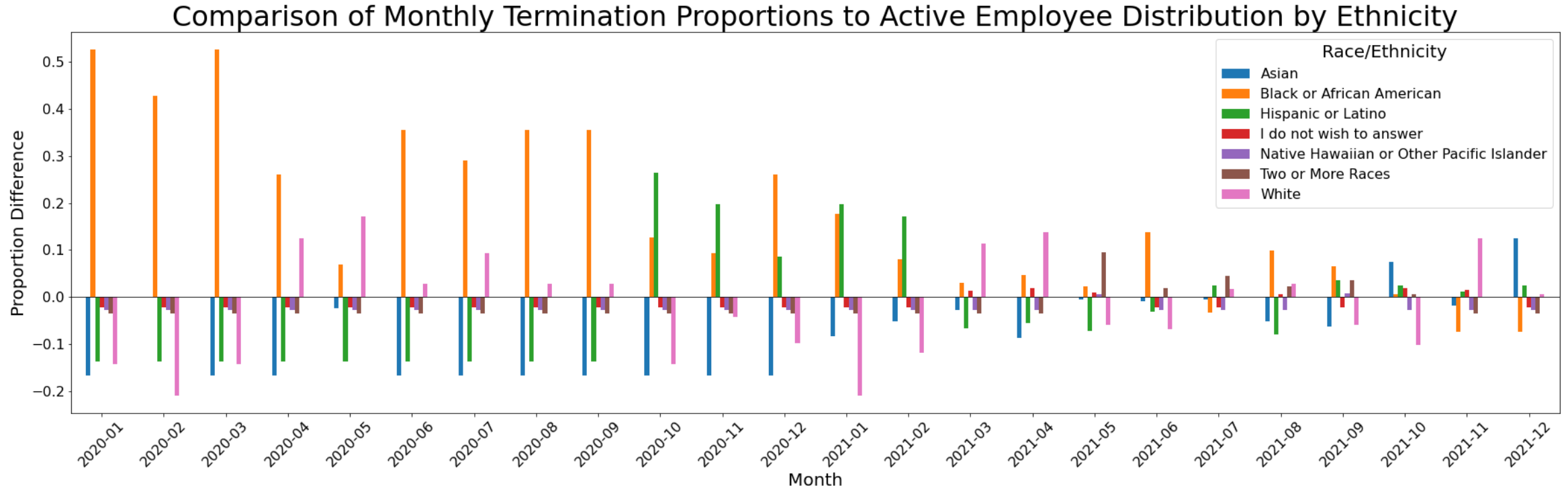 - Band levels
  - Market salary data

Average Salary (USD) by Gender and Department

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Monthly Termination Analysis

Monthly Terminations by Race/Ethnicity for 2020 and 2021

Observations

- More overall terminations in 2021 than in 2020

- Without additional context about total number of employees of each race/ethnicity, no meaningful observations can be made
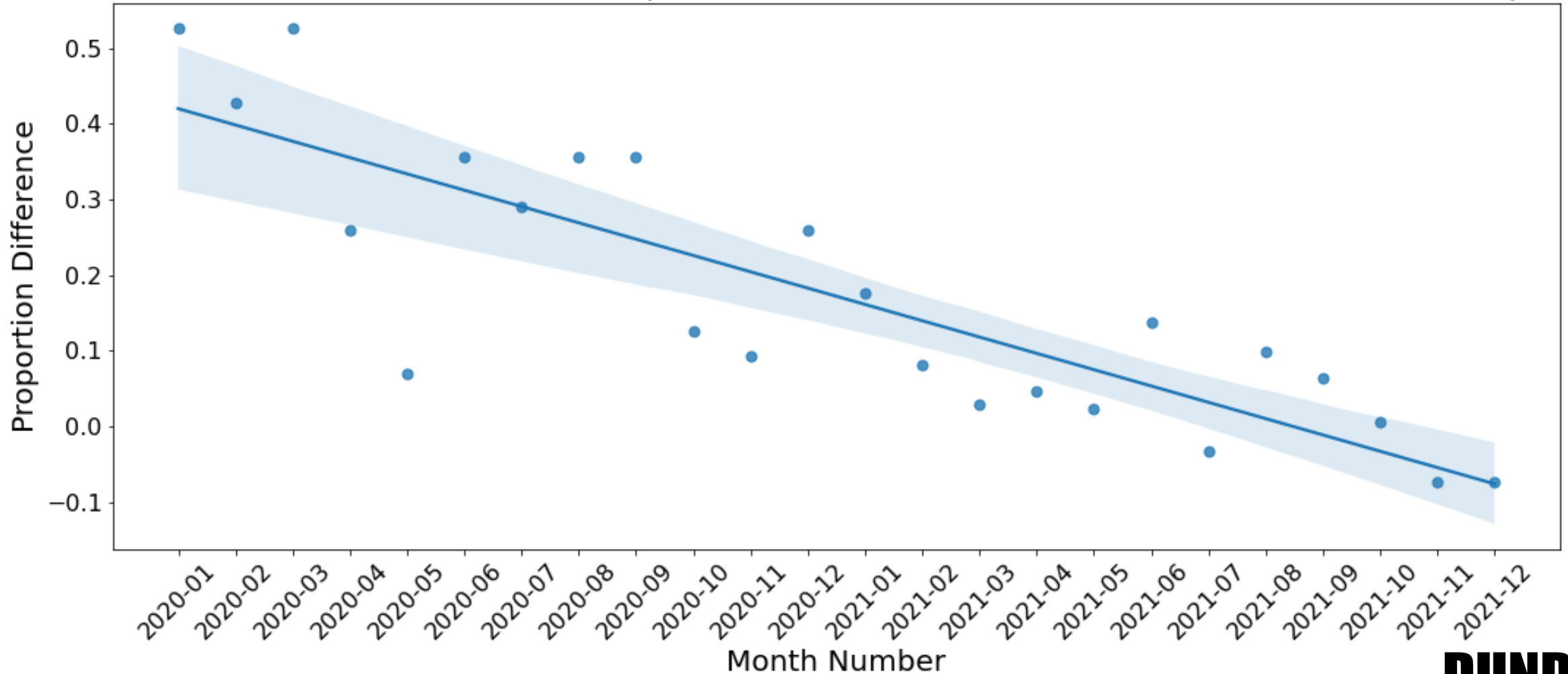
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Monthly Termination Analysis

Comparison of Monthly Termination Proportions to Active Employee Distribution by Ethnicity

Insight: Employees in the Black or African American race/ethnicity group were terminated at a disproportionate rate relative to other race/ethnicity groups in 2020, but this trend has been decreasing steadily into 2021

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Monthly Termination Analysis

Linear Trend of Termination Proportion Difference for Black or African American Group

Summary

Mean salaries for men are higher than those for women in all three tenure groups

What's next?

- Collect additional, informative data for deep-dive analysis focused on uncovering root causes of inequity

- Continue to focus on ensuring that compensation is equitable and unbiased

Identified one significant trend in monthly termination data

What's next?

- Determine root causes of the trend regarding the Black or African American race/ethnicity group

- Distinguish between voluntary vs. involuntary terminations

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Thank you!