



STATE OF UTAH EXECUTIVE BRANCH  
**PAY EQUITY STUDY**

GOVERNOR'S OFFICE OF PLANNING AND BUDGET | JUNE 2021



# AGENDA

- Overview
- Finding 1 and Action Item 1
- Finding 2 and Action Item 2
- Finding 3 and Action Item 3
- Finding 4 and Action Item 4
- Summary



# OVERVIEW:

## *One Utah Roadmap*



## Equality and Opportunity Objectives

**5.A.iii:** *“Recruit and designate a diverse group of Utahns for gubernatorially appointed positions, including boards and commissions”*

**5.B.v:** *“Continue to narrow the gender pay gap by implementing new policies for state employees and help spur change in the private sector”*



# OVERVIEW:

## *Research Questions*

1. What are the most explanatory attributes of wage differences?
2. After controlling for worker and workplace characteristics, are pay gaps maintained across demographic variables?
3. How do the demographic variables of interest interact with the most powerful predictors of employee wages?



# OVERVIEW:

*Data set*

24,507



17,530

**Distilled to filter out employee observations for which:**

- Direct comparison not possible (ie, Utah State Courts employees)
- Gender or minority status is unidentified or unreported
- Hourly pay is below minimum wage (ie, board positions)



## FINDING 1: *Average findings*



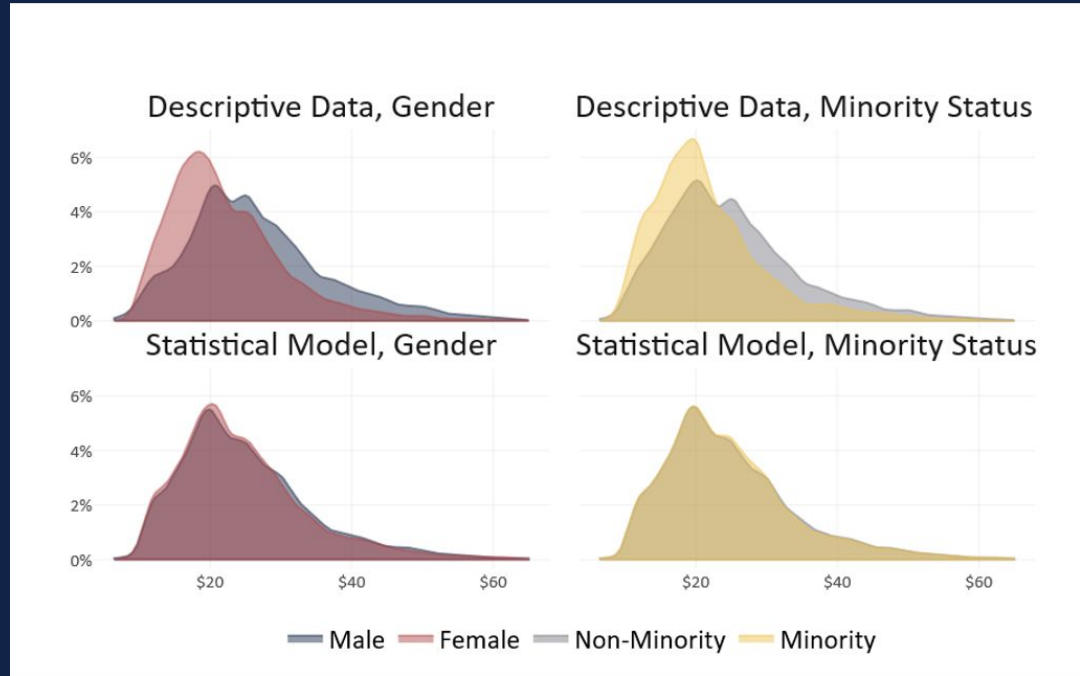
On average, pay differences for state employees are explained by **non-demographic influences.**



# FINDING 1:

## *Influence of demographic variables*

*Gender and minority status are not statistically significant indicators of wage when other factors are held constant.*





# ACTION ITEM 1:

*Equal pay for equal work*



On average, state employees receive **'equal pay for equal work'**.

- Update this study annually to **monitor for changes.**





## FINDING 2: *Individual instances*



In **contrast to the average findings**, there is evidence for instances of gender and minority pay gaps within some **agencies**, and gender pay gaps within **similar levels of work performed**.



## **ACTION ITEM 2:** *Agency leadership plans*



Potential gaps require **further evaluation by DHRM and agency leadership.**



## FINDING 3

*Underrepresentation in higher levels of pay*



Women and minorities are **underrepresented** in jobs with higher levels of **pay** and decision-making **authority**.



## **ACTION ITEM 3**

### *Recruiting for top positions*



**DHRM will conduct an evaluation of:**

- Recruitment practices
- Applicant pools
- Labor pipeline



## FINDING 4

### *Leave use and wage relationship*

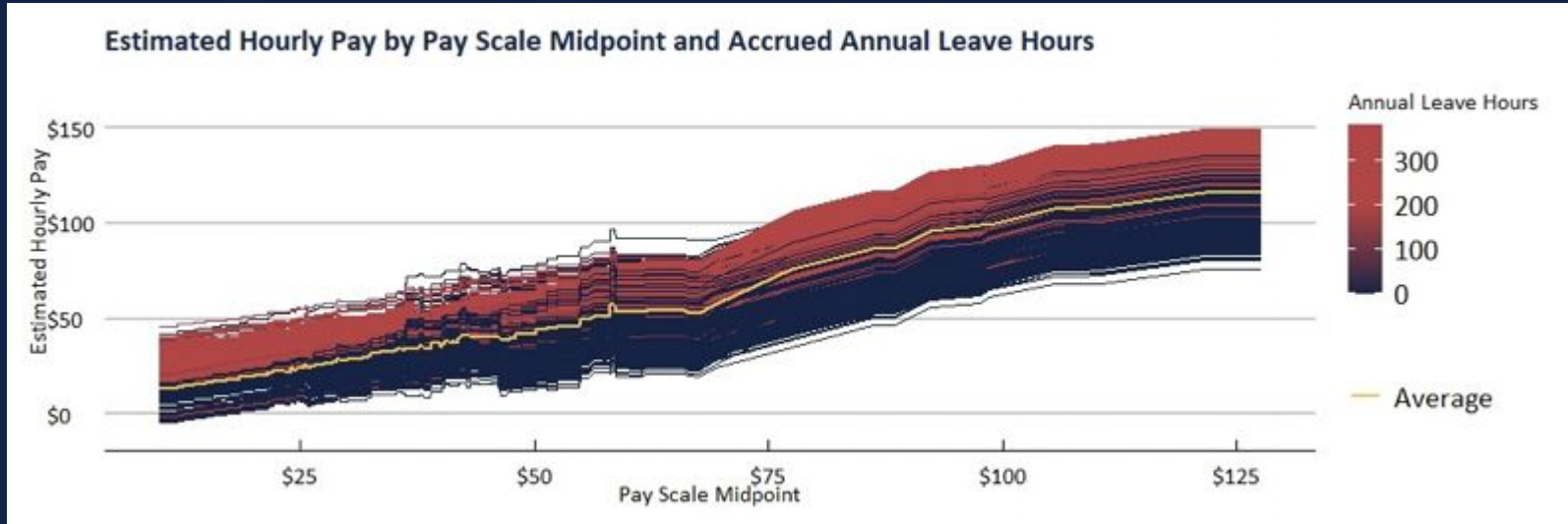


Within similar levels of work performed, and holding all other variables equal, employees with **higher leave balances** are estimated to have **higher wages**.



# FINDING 4

## *Hourly pay and accrued leave*





## ACTION ITEM 4

### *Work life balance initiatives*



- The relationship between leave use and wages may have implications for **work-life balance initiatives** such as paid family leave.
- DHRM to analyze performance to ensure **leave use does not impact wage advancement.**



# SUMMARY



1 - On average, pay differences for state employees are explained by non-demographic influences



2 - There is evidence for individual gaps



3 - Women and minorities are underrepresented in higher paying positions



4 - The relationship between leave balances and wages requires more exploration



