EEO-1 Report Services and Risk Assessment for Pay Equity

Department of Labor to collect pay data under Component 2 for all organizations greater than 100 employees for the first time

OutSolve has been providing Affirmative Action, EEO-1 and Pay Equity support for over 20 years. We are an industry leader in providing information and adapting to change for our clients. In 2019, the EEOC is changing the requirements for EEO-1 reporting to include pay data and OutSolve is prepared to support the new requirement and to help clients understand and prepare for becoming compliant in the pay equity conversation. We are providing strategies and PhD support to help contractors see what vulnerabilities may exist in the required pay data submission in addition to offering advanced pay equity support and analysis to alleviate any potential for a claim of discrimination.

EEO-1 Component 1

The EEO-1 Component 1 is the standard annual submission that includes employee counts reported by establishment and grouped EEO-1 job category, race/ethnicity and gender. All privately owned employers with 100 or more employees and/or employers with 50 or more employees and a federal contract/subcontract of $50,000 or greater are required to submit their EEO-1 files annually by no later than March 31. OutSolve will prepare your data and generate the required submission reports/files in the format required by EEOC.

EEO-1 Component 2

The EEO-1 Component 2 is an additional submission that includes year-end earnings and hours worked grouped by EEO-1 job category and separated by race/ethnicity, gender, and pay band (12 pay bands). OutSolve will prepare your data, generate the required file and submit the reports in the format required by EEOC. Component 2 requires two additional data elements in addition to the standard data required to prepare the EEO-1 Component 1 submission files. In preparing the employee data, each employee record will require the employee's W2 Box 1 year-end earnings and annual hours worked.   The EEOC will be collecting the data and utilizing it in multiple ways including, but not limited to; sharing with OFCCP, identifying companies for possible investigation and publishing key aggregate statistics that can be used by employers and other entities to compare their compensation practices against industry benchmarks. Employers are strongly encouraged to conduct more in depth analyses of their compensation data to identify any potential risks areas and take proactive corrective measures.

EEO-1 Component 2 Risk Assessment Program

It is important to note that OFCCP also has the ability to collect up to three (3) years of EEO-1 reports through a federal contractor's audit submission package that is used in a compliance review. Employers should be concerned about submitting this data without first understanding potential risk.

OutSolve's team of statisticians will analyze your data using the applicable statistical measures (Independent Samples T-test, Mann-Whitney, Chi-Square Test for Independence, etc.) to identify potential risk areas and prepare a report. The report will be reviewed by our PhD team who will provide a written summary to the client assessing preliminary results and recommendations for further investigation of potential pay inequities. OutSolve recommends that the report is reviewed with your team under attorney-client privilege.