

Google pay equity analysis leads to raises for thousands of men

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Google has given raises to thousands of men after an analysis of Google's pay structure found that the company would otherwise be underpaying those men relative to their peers, *The New York Times* reports. The analysis also led to raises for some women.

Google determines annual pay raises in a three-phase process. First, Google adjusts every employee's compensation based on standard factors like their location, seniority, and performance ratings. Managers can then seek additional discretionary raises for their best-performing employees.

Finally, Google performs a company-wide analysis to determine whether these raises are biased in terms of race or gender. If biases are detected, the disadvantaged workers are given additional raises to eliminate the discrepancies.

"We provided \$9.7 million in adjustments to a total of 10,677 Googlers," the company said in a Monday blog post describing the results of the equity analysis.

"Men account for about 69 percent of the company's work force,

but they received a disproportionately higher percentage of the money,” the *Times*’s Daisuke Wakabayashi writes. “Google said it was important to be consistent in following through on the findings of its analysis, even when the results were unexpected.”

In recent years, there has been a lot of concern in Silicon Valley about the opposite problem: women being systematically underpaid relative to their male colleagues.

Of course, it’s possible that Google’s statistical analysis doesn’t capture all factors that could be biasing pay structures against women. Google’s analysis aimed to identify employees who are underpaid relative to others in the same job level. But what if the process of assigning employees to job levels is itself biased?

That’s the premise of a 2017 lawsuit three women filed against Google in 2017.

“Google has channeled and segregated, and continues to channel and segregate, women on the basis of their sex into lower compensation levels and into less-compensated and less-favorable job ladders and levels,” the lawsuit charged.

The Department of Labor has also raised concerns about Google’s hiring and promotion practices. “We found systemic compensation disparities against women pretty much across the entire workforce,” a Labor Department official testified in 2017.

Google has rejected those charges.

If Google managers were promoting men more quickly than equally qualified women, that discrepancy wouldn’t necessarily get picked up by a statistical analysis that takes employees’ job levels as a given.

Google says it plans to study the company’s hiring and

promotion processes to make sure that the company encourages gender equity.

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