

HR leaders lack data access for pay inequity

- *XpertHR finds nearly half of senior HR leaders struggle to access data needed to address pay equity.*
 - *35% don't have enough data on pay to address the gaps.*
 - *Outdated manual processes make it difficult to track pay equity.*

May 17th 2023, New York – Research from [XpertHR](#) and [Executive Networks](#) suggests barriers to accessing data could be to blame for many organizations' unsuccessful bids to address pay equity in the workplace.

Of those surveyed, more than a third (35%) of senior HR leaders do not have enough data on pay, half (50%) lack employee self-identification data, and three in five (59%) are without data on employee demographics.

Alongside significant data gaps, there is a reliance on legacy technology and outdated, manual internal processes, which makes pay equity analysis much more challenging and ultimately less effective. Most organizations outsource pay equity analysis to external consultants, but for those that manage it in-house, the most common tool reported by senior HR leaders is spreadsheets (59%).

Not only are organizations using ineffective methods to carry out pay equity audits, but the research found even organizations that are conducting pay audits are not completing them very often, with just one in 10 (9%) senior HR leaders reviewing their data monthly. Concerningly, nearly a third (30%) of senior HR leaders only carry out audits once a year.

Only by conducting regular equity analysis, quarterly, or every other month, can businesses stay up to date on pay fairness across the organization. Doing so will serve to keep leadership informed about inequities and provide essential insights to act proactively in correcting gaps.

Nearly half of senior HR leaders (45%) struggle with accessing the relevant data needed for correcting pay equity gaps, but they are not alone. The survey of more than 1,000 HR leaders, business leaders, and employees across the US and UK, found an equal amount (47%) of senior business leaders cited the same challenges related to data access and analysis.

Zara Nanu, CEO of Gapsquare, part of XpertHR comments:

“An effective data collection method is key. Without one, leaders have no way of tracking where they stand when it comes to pay equity and other measurables. The first step is to get the basics right: getting set up with the best tools and work processes and ensuring they are being done correctly and regularly.

“Leaders know the importance of pay equity, but data gaps mean uncertainties persist and progress is slow. Establishing fair pay practices relies on a detailed analysis of data, which many either don't have access to or have the skills to interpret, causing a lot of businesses to fall at the first hurdle. What's needed are more robust employee workforce data and pay analytics that support leadership teams with actionable insights about how to close equity gaps across the entire workforce.”

Jeanne Meister, EVP, Executive Networks and author, adds:

“It’s clear that, within many organizations, there is limited technical capability to use tools and meaningfully interpret data on pay equity. Not only is poor data a barrier for organizations tackling the issue, but there is also a lack of sophistication in how pay equity analysis is done. We need to take advantage of the capabilities that technology can provide to better understand and correct pay equity issues if we are to see undisputed progress.”

To read further insights, download the *2023 Pay Equity and Transparency Study: Actionable Insights for a Fair Future of Work* eBook here: www.gapsquare.com/research-pay-equity-and-transparency.

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About the Research Data

Executive Networks, with XpertHR, conducted an online survey of 1,011 HR leaders, business Leaders, and employees from a mix of industries. The survey was conducted in January of 2023, with half of the participants based in the United States and half in the United Kingdom. Respondents varied by age, gender, and ethnic-racial groups, including those identifying mixed or multiple races.

About XpertHR®

Global leader XpertHR empowers organizations to shape HR strategy, manage employee risk and embrace diverse talent ecosystems to create equitable, high-performing, and purposeful workplaces. Since 2002, the data analytics and intelligent solutions provider has earned a reputation for providing expert insights, trusted resources, and practical tools to help customers achieve greater efficiency, improve compliance, and increase employee engagement. XpertHR is proud to be part of the [LexisNexis® Risk Solutions](#) portfolio within [RELX](#), a global provider of information-based analytics and decision tools for professional and business customers. To learn more, visit www.xperthr.com.

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