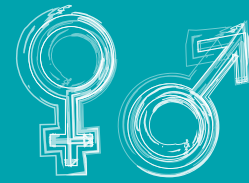


Pay Equity Assessment – Puerto Rico



The Challenge

Concerns about pay inequality have intensified in recent years, with politicians, media and the public voicing strong opposition to employers paying women and other historically marginalized groups less for the same or substantially similar work. Several U.S. jurisdictions, including states, cities, and Puerto Rico, are increasingly adopting pay equity laws in an effort to close pay gaps. Outside the U.S., the concept of equal pay for work “of equal value” is a growing trend and many countries are adopting national gender pay reporting requirements. Compliance with intersecting equal pay laws can be daunting, placing a huge burden on corporate counsel and HR departments.

Getting this important issue wrong can have serious ramifications for employers. Class action lawsuits focused on fair pay are increasing, and negative publicity can hurt employee recruiting, retention and customer relationships. On the flip side, many employers are touting their record on pay equity to gain a strategic edge in their field.

The Opportunity

On March 8, 2017, Puerto Rico enacted Act 16, creating the Puerto Rico Equal Pay Act, prohibiting pay discrimination based on sex. For violations of the Act, an employer must pay the total amount of the employee’s salary, plus an amount equal to what he or she has not received, as well as attorney’s fees and costs. The Act, however, provides employers with a good faith defense. An employer can avoid the penalty if the employer can show that it has conducted a self-evaluation of its compensation practices and made reasonable progress in eliminating wage differences based on sex within the year prior to the wage claim.

In a privileged context, Littler can assist employers with the steps crucial to a defensible audit and proactively tackle this issue by combining our deep experience in employment law, compensation, and the application of data science, econometrics and statistics to the law, with proprietary technology. The result is an analysis that assesses litigation risk and points you toward solutions.

The Assessment

Experienced Employment Counsel: A Littler lawyer will work with you to understand the structure of your organization and its compensation system.

Your HR Data, Our Proprietary Approach: Based on that understanding, we will request segments of your HR and/or payroll databases that hold pertinent information, which we will input into our pay equity tool that allows data to be analyzed clearly, quickly and comprehensively.

Real Time Analysis: In real time, we will explore with you, via screen-sharing or in-person, how various features of your organization impact compensation. We will utilize filters embedded in the technology to apply various controls to model different views of your data.

User-Friendly Dashboard: The results of each analysis are displayed in a user-friendly dashboard, as shown below, so the analysis can easily be shared with and explained to company leaders. These displays eliminate the need for dense spreadsheets, mathematical formulas and technical reports, without sacrificing relevant information.

Documentation: The Littler Pay Equity Assessment documents your efforts to address pay differences. In certain jurisdictions, this may provide a defense to liability. For HR, this documentation can arm managers with the ability to respond when employees ask about their pay, potentially heading off disputes and costly litigation.

When it comes time for an insightful, strategic and practical assessment of your organization's pay practices, you can now turn to the law firm that has been at the forefront of labor and employment law for over 75 years. You can now turn to the Littler Pay Equity Assessment.

**Your HR Data +
Experienced Littler
Attorneys +
Proprietary Technology
+
Attorney/Client Privilege
=
The Littler Pay Equity
Assessment™**

At Littler, we understand that workplace issues can't wait. With access to more than 1,500 employment attorneys in over 80 offices around the world, our clients don't have to. We aim to go beyond best practices, creating solutions that help clients navigate a complex business world. What's distinct about our approach? With deep experience and resources that are local, everywhere, we are fully focused on your business. With a diverse team of the brightest minds, we foster a culture that celebrates original thinking. And with powerful proprietary technology, we disrupt the status quo—delivering groundbreaking innovation that prepares employers not just for what's happening today, but for what's likely to happen tomorrow. For over 75 years, our firm has harnessed these strengths to offer fresh perspectives on each matter we advise, litigate, mediate, and negotiate. Because at Littler, we're fueled by ingenuity and inspired by you.