
OVERVIEW

THE AUDITOR
STATE OF HAWAII

Study of Wage Equity in Public Employee Bargaining Units 1 and 10

Summary

Senate Concurrent Resolution No. 202 of the 1994 Regular Session requested the State Auditor to retain a consultant to investigate and recommend measures to eliminate sex-based wage inequities among job classes in bargaining unit 1 (nonsupervisory employees in blue collar positions) and bargaining unit 10 (“nonprofessional” institutional health and corrections workers).

Selection of consultant

To select a consultant, S.C.R. No. 202 directed the Auditor, in consultation with the exclusive bargaining representative and the state director of personnel services, to develop a request for proposals to be advertised nationally among prominent individuals and companies experienced in conducting job evaluation studies. At our request, United Public Workers Local 646 (the bargaining representative) and the state Department of Human Resources Development (formerly the Department of Personnel Services) provided us with lists of possible consultants.

Through the request for proposal process, the Auditor chose Hubbard & Revo-Cohen, Inc., a human resources consulting firm specializing in wage equity, to conduct the study. Hubbard & Revo-Cohen has extensive experience in conducting wage equity projects, particularly in the public sector.

Findings of study

To conduct the study, Hubbard & Revo-Cohen conducted two sets of analyses. First, it reviewed procedures and legislation governing the process of establishing wages for public employees in Hawaii. Second, it analyzed a sample of 50 jobs from bargaining units 1 and 10 using two gender-neutral quantitative job evaluation systems and the techniques of regression analysis and comparator group analysis.

The consultant firm found that sex-based wage inequities exist in bargaining units 1 and 10. In the sample, the consultant found that female-dominated jobs (those with 70 percent or more female incumbents) tend to be undervalued and underpaid when compared with comparable male-dominated jobs. Certain female-dominated job classes in both bargaining units are consistently underpaid relative to male-dominated classes with similar evaluations.



Examples of undervalued job classes were found within food service, nursing, paramedical assistant, and occupational therapy assistant occupations.

For example, the consultant found the Licensed Practical Nurse III job (which is female-dominated) and the Adult Corrections Officer V (ACO) job (which is male-dominated) to be comparable in worth. Yet the ACO job pays \$3,102 per month while the LPN job pays \$2,413 per month. Based on the regression analysis for both job evaluation systems, female-dominated jobs are paid on average approximately \$357 less per month than comparable male-dominated jobs.

The consultant firm also found that the wage inequities it identified probably have many causes. The following are possible contributors: Hawaii's narrative approach to job evaluation (which lacks the advantages of a quantitative approach); the lack of comparisons across bargaining units (pay equity may be disrupted by differential bargaining strengths and inconsistent valuation across job families); and out-of-date class specifications and position descriptions (which do not assure gender neutrality).

Recommendations and Response

Hubbard & Revo-Cohen recommends that Hawaii's Conference of Personnel Directors establish a labor-management oversight committee of representatives from the State, including the Judiciary, and the four counties to oversee the development of a quantitative, point-factor job evaluation system tailored to the full complement of jobs in the Hawaii public service. Compensable factors should be explicit, comprehensive, relevant to Hawaii, and gender-neutral.

The consultant also recommends that the State's public employers develop a procedure that encourages comparisons across bargaining units so that consistency of job worth can be established and maintained over time. The Department of Human Resources Development, the Judiciary, and the four counties should routinely maintain the classification and compensation system, auditing and updating their position descriptions and class specifications on a regular basis. They should consider developing innovative and cost effective approaches to improving job classification and wage equity.

The United Public Workers responded that another recommendation should be added: the Department of Human Resources Development needs to be ordered to correct the inequities pointed out by the study. The Department of Human Resources Development and the City and County of Honolulu responded by raising many concerns about the study. The consultant's final report includes the agencies' comments and the consultant's response.

Marion M. Higa
State Auditor
State of Hawaii

Office of the Auditor
465 South King Street, Room 500
Honolulu, Hawaii 96813
(808) 587-0800
FAX (808) 587-0830