



1.21.2016 **California Equal Pay Act**

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WHEN DOES THE CHANGE GO INTO EFFECT

The Equal Pay Act went into effect 1/1/2016.

ABOUT THE CHANGE

This Bill requires employers to pay employees of the opposite sex equivalent wages for substantially similar work. In determining what is “substantially similar work,” skill, effort, responsibility and working conditions will be taken into consideration.

WHAT EMPLOYERS CAN DO TO MINIMIZE THEIR RISKS OF A PAY INEQUALITY CLAIM?

McCloskey Partners, LLC is recommending that employers have documented policies and standard operating procedures that outline the following:

- **Transfers** from one division to another or from one sub location to another (E.g. how long is an employee required to remain in one division before being able to transfer to another job location?)
- **Performance Reviews** (E.g. If employees are not performing at the minimum level of expectation for the position, a Performance Improvement Plan (PIP) should be put in place that clearly communicates to the employee their areas of deficiency and what behavior is expected to improve.)
- **Job Descriptions/ Position Overviews** that clearly communicate what is expected of an employee in terms of quantity and quality of work. Additionally, including physical requirements of all positions.
- **Education requirements** of all positions should be communicated in Job Ads as well as position overviews/ job descriptions.
- If **specific training or certifications** are required, employees should be made aware what is expected of them.
- It is recommended that all **offer letters** are signed by employees; offer letters should communicate what is expected of an employee. As well as position overviews/ job descriptions should be signed.

- We recommend that employers take the time to **review the pay levels** of their employees and ensure that there are good **record retention** practices internally so if there is ever a question, about why one employee is receiving X pay rate compared to another employee, the Company has good records to refer back to that help support the reason for any difference.

Contact McCloskey Partners, LLC today to discuss your current employment related practices to help ensure that your risks are minimized. Contact McCloskey Partners at 215-716-3035 or admin@mccloskeypartners.com

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