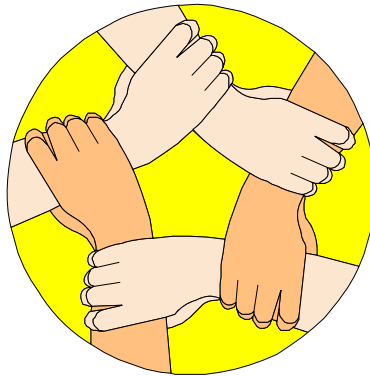


# Affirmative Action



## Reasons for Affirmative Action Plans

- **Involuntary**
  - Government regulation (Executive order 11246)
  - Court order
- **Voluntary**
  - Consent decree
  - Desire to be a good citizen
    - community relations
    - customer relations
    - hope that diversity will increase productivity

## Affirmative Action Plans

- Regulation
  - Department of Labor
  - Office of Federal Contract Compliance Programs (OFCCP)
  - Report EEO-1 used to select companies for potential audit
- Who Must File
  - Federal contractors with over \$50,000 and 50 or more employees must have a written AAP
- Comparisons
  - Sex (men, women)
  - Race (white, Black, Asian, Hispanic, Native American)
- Statistical Comparisons
  - Current organization with available workforce
  - Recent movements (hires, promotions, terminations)

## Affirmative Action Plans EEO-1 Categories

- 1) Officials and Managers
- 2) Professionals
- 3) Technicians
- 4) Sales workers
- 5) Office and clerical
- 6) Craft workers
- 7) Operatives (semi-skilled)
- 8) Laborers
- 9) Service workers

## Affirmative Action Plans

### Data Collection Steps

- Obtain EEO info
  - Current employees
  - Applicants
- Classify jobs into EEO-1 categories
- Determine availability
  - External (Census data)
  - Internal (feeder jobs)
- Determine weights for availability for each job
- Look for underutilization and adverse impact

## Availability Analysis



## What is Availability?

- Availability is an estimate of the number of qualified minorities or women available for employment in a given job group, expressed as a percentage of all qualified persons available for employment in the job group
- Purpose of the availability determination is to establish a benchmark against which the demographic composition of the contractor's workforce can be compared in order to determine whether barriers to EEO exist within particular job groups

## Calculating Availability

- Determining availability now requires consideration of at least two factors
  - **External Availability**
    - Percentage of minorities and females *with the requisite skills* in the reasonable recruitment areas
  - **Internal Availability**
    - Promotable, transferable, trainable

## Determining External Recruitment Areas

- The census area used to determine external availability is the area where a contractor can reasonably expect to recruit workers for the job group.
- The reasonable recruitment areas may not be drawn in a way that excludes minorities or women.
- For each job group, the contractor must provide a brief explanation of the rationale for selecting the recruitment area.

## Recruitment Areas

Reasonable recruitment areas may include:

- County
- Metropolitan Statistical Area (MSA)
- Primary Metropolitan Statistical Area (PMSA)
- Consolidated Metropolitan Statistical Area (CMSA)
- State
- United States

The recruitment areas may be different for each job group

## External Availability Example

Job Title	Census Code	Total Emp's	Weight	Census Data %		Weighted Data %	
				Fem	Min	Fem	Min
Customer Service Rep.	327	2	.03	76.10	15.40	2.28	.46
District Sales Managers	243	1	.02	34.60	9.60	.69	.19
Inside Sales Rep.	257	22	.36	36.60	9.60	13.18	3.46
Territory Manager	257	28	.46	36.60	9.60	16.84	4.42
Territory Manager - Trainee	257	8	.13	36.60	9.60	4.76	1.25
<b>Totals:</b>		<b>61</b>	<b>1.00</b>			<b>37.75</b>	<b>9.78</b>

## Internal Availability

- This factor examines the percentage of women and minorities who are promotable, transferable, and trainable within the contractor's organization.
- The pool of promotable, transferable and trainable may not be defined in a way that excludes minorities or women.
- For each job group, the contractor must provide a brief explanation of the rationale for selection of that pool.

## Internal Availability

- Feeder jobs must be potential movements from one job group to another job group
  - Movements within a job group do not count
- Some job groups may not have feeder pools and rely solely on external data.

## Calculating Internal Availability

Job Title	Job Group	Number of Employees		
		Total	Fem	Min
Chain Accounts Clerk	5B	1	1	0
Sales Assistant	5B	1	1	0
Equipment and Supply Coordinator	5A	3	2	0
Driver Check-In Clerk	5B	1	0	1
Totals:		6	4	1
Percent:		66.67%	16.67%	

## Determining Overall Factor Weights

- Determine the percentage of movements to the job group that you expect to come from within (promotions) as opposed to externally (hires)
  - Develop benchmarks by dividing the # of promotions in the job group by the total movements into the group (hires + promotions)
    - **Example:** there were 100 total movements to the group last year. 25 were promoted into the group and 75 were hired. Therefore, 25% of the movements to the job group came from within
- Place the remaining percentage (subtract from 100%) on external availability

## Availability Analysis

Factor	Description	Factor Availability		Factor Weight	Weighted Availability	
		Fem	Min		Fem	Min
1	Census ( <b>external</b> ) availability in the reasonable recruitment area	37.75%	9.78%	.50	18.88%	4.89%
2	Percent among those promotable, transferable and trainable within the organization ( <b>internal</b> )	66.67%	16.67%	.50	33.34%	8.34%
				1.00	52.22%	13.23%

## Utilization Analysis

- This test compares the percent of employment by total minority and gender within each job group to the percent available (as calculated in the availability analysis)
- When the percentage of minorities and females employed in a particular job group is less than would reasonably be expected given their availability, the contractor must declare underutilization, therefore **establishing a goal**

## Utilization Tests

- Whole person (Groups less than 30)
  - Availability must exceed employment by at least one whole person
- Standard Deviation Test (Statistical Significance)
  - The difference between availability and employment is at least two standard deviations

## Whole Person Rule

- Underutilization: If availability exceeds employment by at least one whole person.

	A	B	C	D	E	F
Job Group	# of Employees in Job Group	Availability	# of protected class	A x B = # expected	D - C = Shortfall	Underutilization?
Female	61	.5222	19	31.85	12.85	Yes
Minority	61	.1323	6	8.07	2.07	Yes

## Statistical Significance Rule

- Underutilization: If the difference between availability and employment is equal to or greater than two standard deviations.

	A	B	C	D	E	F	G	H	I
Job Group	# of Empl. In Job Group	Avail.	# of protected class	A x B = # expected	D - C = Shortfall	(1-B) x B x A = Variance	Square root of variance (F)	E/G = Standard Deviation Score	Under-Utilization ?
Female	61	.5222	19	31.85	12.85	15.22	3.90	3.29	Yes
Minority	61	.1323	6	8.07	2.07	7.00	2.65	.78	No

## Placement Goals

- Goals serve as objectives and targets
- Goals are based on availability percentages
- Goals are developed for all areas of underutilization
- Goals are not quotas
- Goals do not justify preferential treatment
- Goals do not create set-asides

## Goal Attainment

- The goal attainment analysis shows progress made towards meeting each of the goals set in the prior year's affirmative action plan or during the update period
  - Goal are established each year but attainment is not measured until the following AAP year
- This progress is determined by evaluating the placement opportunities (hires and promotions) the contractor had and determining whether or not the goal was met

## Goal Attainment

Job Group	Target Group	Prior Goal	Hires	Promos	Total Opps.	Achieved
4A	Female	52.22%	1 of 5 (20%)	0 of 1 (0%)	1 of 6 (16.66%)	No
4B	Minority	13.23%	1 of 8 (12.5%)	1 of 4 (25%)	2 of 12 (16.67%)	Yes

## Sample Affirmative Action Plan

## Job Group Analysis - Summary

Job Group	Total Employment	Total Females		Total Minorities	
		#	%	#	%
1 - Executives	2	0	0.00	0	0.00
1A - Upper Management	4	0	0.00	0	0.00
1B - Middle Management	33	8	24.24	0	0.00
1C - Entry Level	56	21	37.50	6	10.71
2A - Eng/MIS/R&D/QA	2	0	0.00	0	0.00
2C - Professionals-All Other	16	3	18.75	0	0.00
3A - Technicians	21	13	61.90	2	9.52
3B - R&D/QA Lab Techs	50	40	80.00	4	8.00
5 - Office and Clerical	32	28	87.50	0	0.00
6A - Lead Workers	110	33	30.00	12	10.91
6B - Maintenance	113	0	0.00	2	1.77
7A - Operators	227	35	15.42	44	19.38
8 - Laborers	1,007	454	45.08	500	49.65
9 - Security/Janitorial	17	5	29.41	2	11.76
<b>Grand Total</b>	<b>1,690</b>	<b>640</b>	<b>37.87</b>	<b>572</b>	<b>33.85</b>

## Job Group Analysis - Detail

**Job Group: 1C - Entry Level**

Job Code and Title	Grade	Total Employment	Total Females		Total Minorities	
			#	%	#	%
MP005400 Coord Plant Production	3020...63	1	1	100.00	0	0.00
MH005400 Supv Shift - Human Resources	3020...63	1	1	100.00	0	0.00
MP004200 Supv Sanitation	3020...63	7	3	42.86	0	0.00
MP005800 Supv Feed Delivery Poultry	3010...62	1	0	0.00	0	0.00
MP006000 Supv - Processing	3020...63	34	15	44.12	5	14.71
MC004600 Plant Safety Mgr	3020...63	1	0	0.00	0	0.00
MP012500 Supv HACCP Shift	3010...62	1	1	100.00	0	0.00
MP005900 Supv Feed Mill	3010...62	1	0	0.00	0	0.00
MP006200 Supv Catching Crew	3010...62	8	0	0.00	1	12.50
MP005700 Supv Hatchery	3010...62	1	0	0.00	0	0.00
<b>Job Group Representation</b>		<b>Total Employment</b>	<b>Total Females</b>		<b>Total Minorities</b>	
		56	21	37.50	6	10.71

## Workforce Analysis - Summary

Department			Female						Male					
	Total	Minority	Total	White	Black	Hisp	Asian	Amlnd	Total	White	Black	Hisp	Asian	Amlnd
BBWCLP FM GENERAL PRODUCTION	44	4	2	2	0	0	0	0	42	38	1	1	0	2
		9.09	4.55	4.55	0.00	0.00	0.00	0.00	95.45	86.36	2.27	2.27	0.00	4.55
BBWCLP HATCHERY GENERAL PRODUCTION	43	6	12	11	0	1	0	0	31	26	0	2	0	3
		13.95	27.91	25.58	0.00	2.33	0.00	0.00	72.09	60.47	0.00	4.65	0.00	6.98
BBWCP 1ST SHIFT EVISCERATION EAST	111	76	60	16	24	9	0	11	51	19	17	5	0	10
		68.47	54.05	14.41	21.62	8.11	0.00	9.91	45.95	17.12	15.32	4.50	0.00	9.01
BBWCP 1ST SHIFT LINE 1 IQF	116	72	75	24	14	17	1	19	41	20	11	5	0	5
		62.07	64.66	20.69	12.07	14.66	0.86	16.38	35.34	17.24	9.48	4.31	0.00	4.31
BBWCP 1ST SHIFT LIVE HAUL	37	13	1	1	0	0	0	0	36	23	2	4	0	7
		35.14	2.70	2.70	0.00	0.00	0.00	0.00	97.30	62.16	5.41	10.81	0.00	18.92
BBWCP 1ST SHIFT REFRIGERATION	9	0	1	1	0	0	0	0	8	8	0	0	0	0
		0.00	11.11	11.11	0.00	0.00	0.00	0.00	88.89	88.89	0.00	0.00	0.00	0.00
BBWCP 1ST SHIFT SHIPPING	98	58	26	9	13	1	0	3	72	31	20	3	0	18
		59.18	26.53	9.18	13.27	1.02	0.00	3.06	73.47	31.63	20.41	3.06	0.00	18.37

## Factor Availability

Job Group: 8 - Laborers

Factor	Raw Availability		Factor Weight	Weighted Availability	
	Female	Minority		Female	Minority
1. Percentage of minorities and women among those having requisite skills in the reasonable recruitment area. Census of Population, Choctaw+McCurtain+Pushmataha, OK	53.37	47.45	100.00	53.37	47.45
2. Percentage of minorities and women among those promotable, transferrable and trainable within the contractor's organization.			0.00		

<b>Final Availability:</b>	53.37	47.45
<b>Incumbency:</b>	49.93	65.67

## Source of Statistics

Job Group	External Statistics (Factor 1) (Year 2000)	Internal Statistics (Factor 2)
1A - Upper Management	Census of Population, United States	Feeder Job Groups: Middle Management (1B)
1B - Middle Management	Census of Population, United States	Feeder Job Groups: Entry Level (1C)
1C - Entry Level	Census of Population, United States	Feeder Job Groups: Lead Workers (6A), Maintenance (6B), Operators (7A)
2A - Eng/MIS/R&D/QA	Census of Population, United States	Feeders: <none>
2C - Professionals-All Other	Census of Population, Choctaw+McCurtain+Pushmataha, OK	Feeder Job Groups: Technicians (3A)
3A - Technicians	Census of Population, Choctaw+McCurtain+Pushmataha, OK	Feeder Job Groups: Lead Workers (6A), Operators (7A)
3B - R&D/QA Lab Techs	Census of Population, Choctaw+McCurtain+Pushmataha, OK	Feeder Job Groups: Operators (7A), Laborers (8), Lead Workers (6A)

## Utilization Analysis

Job Group	Total Employment	Female			Minority			Underutilized	
		Employment		Availability	Employment		Availability	Female	Minority
		#	%	%	#	%	%		
1A - Upper Management	1	0	0.00	18.43	1	100.00	10.59		
1B - Middle Management	21	4	19.05	22.67	2	9.52	18.77		Yes
1C - Entry Level	36	8	22.22	14.19	7	19.44	32.29		
2A - Eng/MIS/R&D/QA	1	0	0.00	16.64	0	0.00	15.59		
2C - Professionals-All Other	3	2	66.67	33.53	1	33.33	30.15		
3A - Technicians	8	8	100.00	41.07	3	37.50	36.93		
3B - R&D/QA Lab Techs	27	22	81.48	43.27	8	29.63	62.41		Yes
5 - Office and Clerical	15	13	86.67	83.94	5	33.33	13.17		

# Goals

Job Group	Female	Minority
1A - Upper Management		
1B - Middle Management		Yes (18.77%)
1C - Entry Level		
2A - Eng/MIS/R&D/QA		
2C - Professionals-All Other		
3A - Technicians		
3B - R&D/QA Lab Techs		Yes (62.41%)
5 - Office and Clerical		
6A - Lead Workers	Yes (44.35%)	

# Goal Attainment

Job Group	Group	Goal		Promotions		Hires		Total		Goal Attained
		%	#	%	#	%	#	%		
1C - Entry Level	Female	38.30	0 of 3	0.00	0 of 5	0.00	0 of 8	0.00	No	
3B - R&D/QA Lab Techs	Minority	57.80	1 of 4	25.00	0 of 0	0.00	1 of 4	25.00	No	
6B - Maintenance	Female	13.40	0 of 1	0.00	0 of 9	0.00	0 of 10	0.00	No	
	Minority	43.80	0 of 1	0.00	1 of 9	11.11	1 of 10	10.00	No	
7A - Operators	Female	28.80	2 of 18	11.11	2 of 12	16.67	4 of 30	13.33	No	

## Adverse Impact Analysis

Job Code	Group	Selected	Pool	Select Rate (%)	Overall Sel Rate(%)	Expected	Difference	Standard Deviation	Fisher's	Disparity?
6B - Maintenance	Minorities	1	7	14.29	23.81	1.67	-0.67	0.6403		
	Non-Minorities	9	35	25.71		8.33	0.67			
	Females	1	4	25.00	23.81	0.95	0.05	-0.0581		
	Males	9	38	23.68		9.05	-0.05			
7A - Operators	Minorities	5	13	38.46	46.43	6.04	-1.04		0.3427	
	Non-Minorities	8	15	53.33		6.96	1.04			
	Females	2	5	40.00	46.43	2.32	-0.32		0.5722	
	Males	11	23	47.83		10.68	0.32			
8 - Laborers	Minorities	201	643	31.26	33.30	214.14	-13.14	1.7157		
	Non-Minorities	162	447	36.24		148.86	13.14			
	Females	163	480	33.96	33.30	159.85	3.15	-0.4072		
	Males	200	610	32.79		203.15	-3.15			

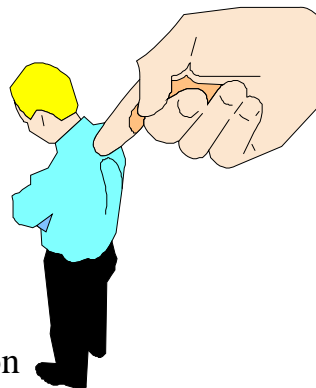
## Legality of Preferential Hiring and Promotion

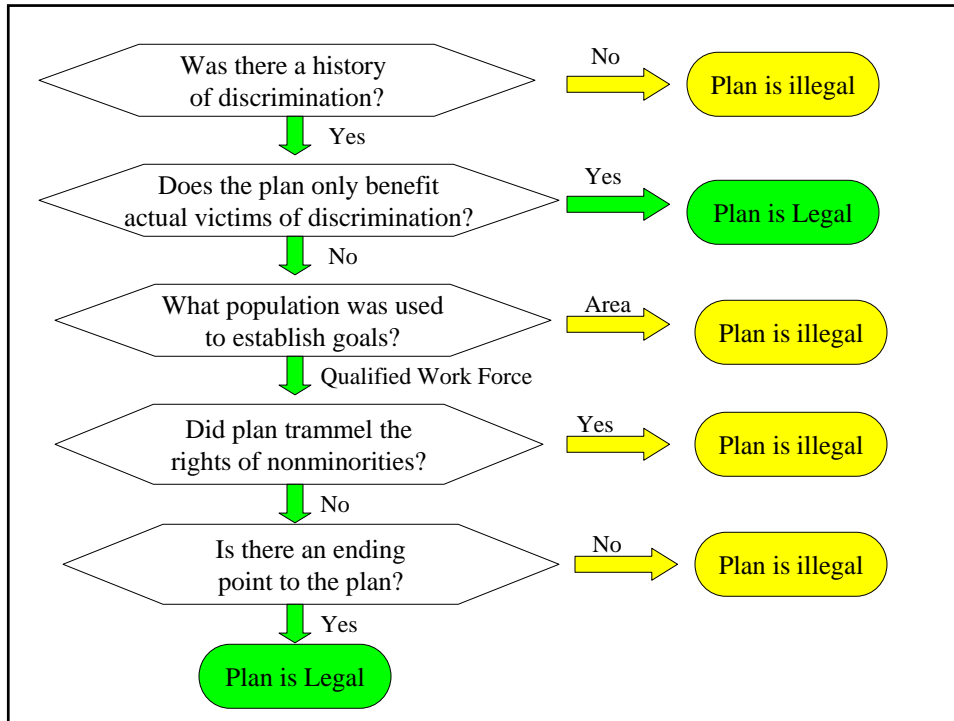
## Reasons for Underutilization

- Actual lack of available or interested minorities and women
- Ineffective recruitment or retention efforts
- Organizational image or policies
- Discrimination
  - Intentional
  - Poor monitoring procedures

## Affirmative Action Strategies

- Intentional recruitment of minority applicants
- Removal of supervisor and employee prejudices
- Identification and removal of employment practices that work against minority employees
- Preferential hiring and promotion of minorities

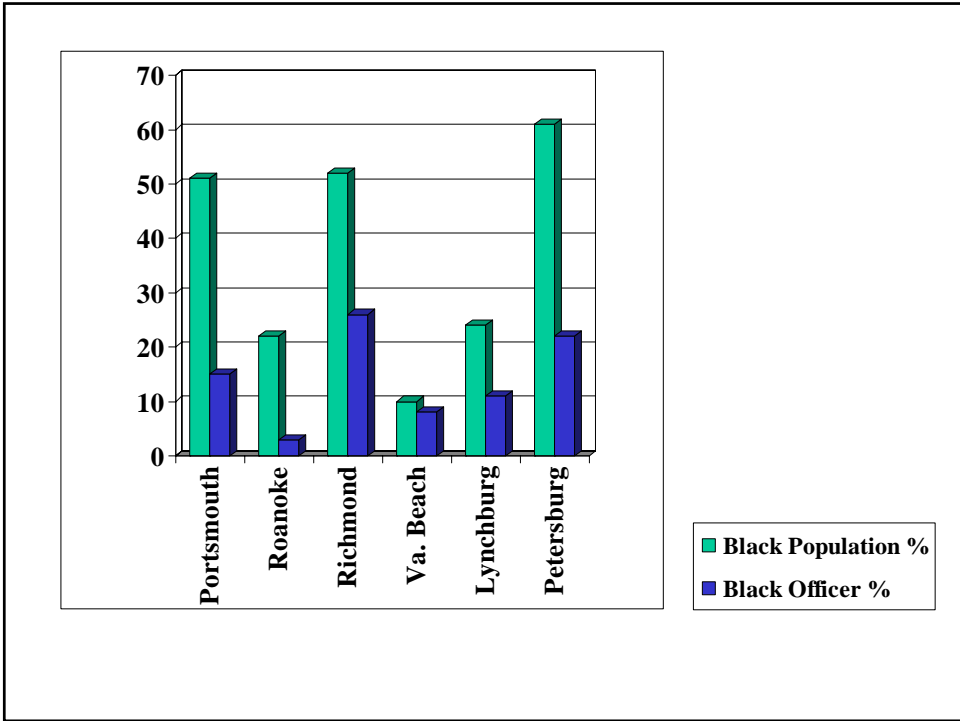




## Legality of Preferential Hiring

### Was there a history of discrimination?

- A history of discrimination must be demonstrated
- Numeric disparity
  - can establish history
  - numeric disparity by itself may not be enough
- Affirmative action posture and efforts will also be considered
- Other reasons, such as lack of interest in the position, must be considered along with the disparity



## Legality of Preferential Hiring

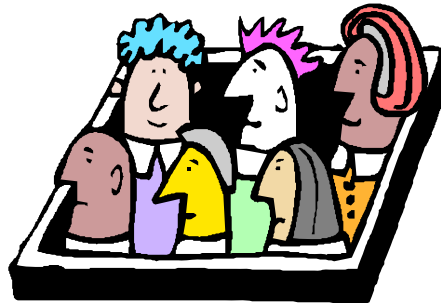
Does the plan benefit people who were not the actual victims of discrimination?



## Legality of Preferential Hiring

What population was used to establish hiring or promotion goals?

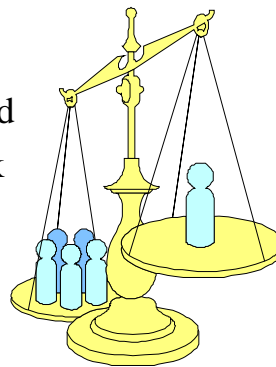
- Area population
- Qualified work force
  - minimum standards
  - minority interest in occupation



## Legality of Preferential Hiring

Did the plan trammel the rights of nonminorities?

- Magnitude of the goal must be reasonable
- All people hired must be qualified
- Race/gender can be used to break ties among equally qualified applicants
- Promotion spots can be “double filled”



## Legality of Preferential Hiring

Is there an ending point to the plan?

- Progress must be periodically reviewed
- Plan must end when goals have been achieved



## Consequences of Affirmative Action Programs

- People hired due to affirmative action:
  - are perceived by coworkers as being less competent
  - tend to devalue their own performance
  - behave negatively toward other AA people
- Organizations using preferential hiring have lower levels of productivity (Silva & Jacobs, 1993)

## Exercise 3.6



