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## Get Ready To Count Race and Ethnicity To Match New EEO-1 Report

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On November 28, 2005, the Equal Employment Opportunity Commission (EEOC) published a Notice of Submission for OMB (Office of Management and Budget) Review containing its final version of the updated EEO-1 Report.

**NOTE:** If you are a private sector employer with 100-plus employees, or a government contractor with 50-plus employees and \$50,000 in government contracts you will be affected by these proposed changes once approved. Regardless, affected or not, as a HR professional you should understand these issues and share them with others.

Qualifying employers must file demographic data each year by September 30 that tells the government the makeup of their workforce by sex and race/ethnicity. This is further divided into occupational categories called EEO-1 Groups.

The EEO-1 Report is one of several Standard Form 100 reports created by the government to amass statistics about America's workforce. EEO-1 contains information from private sector employers (both publicly traded companies and privately held). EEO-4 contains information from public sector employers (cities, counties, states, special districts). What used to be the EEO-5 and EEO-6 reports for the education sector have now been embedded in Department of Education reports. The EEO-3 report, however, is still required of unions. And EEO-2 is required for Labor-Management Committees and certain apprenticeship programs. The EEOC began collecting employer data in 1966 under the authority given to it by the Civil Rights Act of 1964. From then until now, little has changed in the EEO-1 form.

### Proposed Changes in EEO-1

Several changes are being made in the race/ethnic categories for which reporting will be required. See Figure 1 below for a "before and after" look at the tracking categories.

Current EEO-1 Categories	Revised EEO-1 Categories
<b>Hispanic</b>	<b>Hispanic or Latino</b> – includes all employees who answer "Yes" to the question, are you Hispanic or Latino?
<b>White</b> (not of Hispanic origin)	<b>White</b> (not Hispanic or Latino)
<b>Black</b> (not of Hispanic origin)	<b>Black or African American</b> (not Hispanic or Latino)
<b>Asian or Pacific Islander</b>	<b>Native Hawaiian or Other Pacific Islander</b> (not Hispanic or Latino)
	<b>Asian</b> (not Hispanic or Latino)
<b>American Indian or Alaskan Native</b>	<b>American Indian or Alaska Native</b> (not Hispanic or Latino)
	<b>Two or More Races</b> (not Hispanic or Latino)

*Figure 1*

One major change has been made in the occupational categories. And, as you can see from the content of Figure 2, some cosmetic differences have also occurred. Of primary importance is the splitting of EEO Category 1. It will become two groups, one for executives and senior level managers and the other for mid-level managers and supervisors.

<b>Current EEO-1 Job Categories</b>	<b>Revised EEO-1 Job Categories</b>
<b>1. Officials &amp; Managers</b>	<b>1.1. Executive/Senior Level Officials and Managers</b>
	<b>1.2. First/Mid-Level Officials &amp; Managers</b>
<b>2. Professionals</b>	<b>2. Professionals</b>
<b>3. Technicians</b>	<b>3. Technicians</b>
<b>4. Sales Workers</b>	<b>4. Sales Workers</b>
<b>5. Office &amp; Clerical</b>	<b>5. Administrative Support Workers</b>
<b>6. Craft Workers (Skilled)</b>	<b>6. Craft Workers</b>
<b>7. Operatives (Semi-Skilled)</b>	<b>7. Operatives</b>
<b>8. Laborers (Unskilled)</b>	<b>8. Laborers &amp; Helpers</b>
<b>9. Service Workers</b>	<b>9. Service Workers</b>

**Figure 2**

**Gathering Data**

The new instructions offer some specific guidance about how employers are to collect this data from their employees.

*“Self-identification is the preferred method of identifying the race and ethnic information necessary for the EEO-1 report. Employers are strongly encouraged to use self-identification to complete the EEO-1 report. If an employee declines to self-identify, employment records or observer identification may be used.”<sup>1</sup>*

Regardless of how you determine the Race/Ethnicity and Sex identification of your employees, you will be held accountable for having and maintaining that information for all employees.

**Next Step -- Resurvey in 2007**

Since the changes create two, new EEO-1 categories where only “Asian” used to exist (see Fig. 1), and since we will be allowing people to indicate “Two or More Races,” a complete resurvey of your employees should be done. There is time to plan and budget for this work, however. The data won’t be needed until the September 30, 2007 report filing, but it must be gathered at some time prior to that. It would be reasonable to plan on resurveying your workforce in the summer of 2007 so you can clean your data and have it ready for reporting when needed. About the same time, you should plan to begin using replacement forms for new employee self-identification that include the updated category choices.

Self-identification is likely the only method that will successfully determine which employees consider themselves to be multiple-racial. Typically, observation alone is not sufficient to accurately make this identification. Depending on the size of your organization, surveying your

<sup>1</sup> Federal Register, Vol. 70, No. 227, Monday, November 28, 2005, Notices, Page 71302

workforce to solicit these self-identifications can cost considerable amounts of money if accomplished using a manual, paper and pencil process. On the other hand, employers who devise electronic methods for collecting the data, while maintaining the data in a secure and private environment, could see these collection costs considerably reduced.

Just be sure you have this item on your agenda as you move through the planning process for 2006. The larger your organization the longer it will take to collect, clean and certify the accuracy of your data. All that must be done, of course, before you are able to submit an EEO-1 report to the government in 2007 using the new reporting categories.

For more information about the changes being proposed you may visit the EEOC web site at <http://www.eeoc.gov/eo1/qanda.html>.

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If you have questions regarding the changed EEO-1 reporting requirements contact us at [consulting@merithr.com](mailto:consulting@merithr.com). Download a copy of a data reporting form reflecting the new Race/Ethnic Categories at <http://www.merithr.com/files/eo1data.pdf>