



Top 10 Non-Monetary Terms In Uber's \$10M Discrimination Settlement

Insights

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Sure, the monetary portion of the settlement—\$10 million to a class of approximately 400 Uber software engineers and over \$2.6M in attorneys' fees—is pretty eye-opening. But perhaps the more significant part of the settlement agreement that was just agreed to by a federal court judge on Wednesday were all of the non-monetary terms.

The case began in October 2017 as a group of female, black, Hispanic, Native American, Alaskan Native, and other multiracial software employees filed a class claim against Uber in federal district court in northern California. As Bloomberg's Patrick Dorrian reported, the case included allegations that Uber "discriminated on the basis of sex, race, and national origin by hiring female software engineers and engineers of color at lower job levels than their credentials justified and paying them less than white and Asian software engineers for the same work. It also was alleged that the performance reviews of female software engineers and engineers of color at Uber were infected by systematic bias, resulting in their being promoted at a slower rate than their white and Asian counterparts."

By March 2018, the parties had reached a tentative agreement—with Uber expressly stating that it was not admitting to the validity of the claims alleged in the Complaint—and approached Judge Yvonne Gonzalez Rodriguez for her necessary approval on the deal. After several months of hearings and further briefing, Judge Rodriguez provided her final approval of the deal on November 14, wrapping up the case. The order, drafted by the parties, runs some 45 pages and includes reams of detailed, technical provisions. We've reviewed the deal and plucked the most interesting 10 items of note from the agreement:

1. While Uber expressly denies the claims that comprise the complaint, and says that it enters into the deal without admitting any liability, it does note that it implemented "many new diversity and inclusion initiatives" after the lawsuit was filed and new management was installed, including a new pay structure, revised compensation adjustments, and other similar employment practices.
2. Company management agrees to participate in a semi-annual business review several times a year, including a review by Uber's diversity representatives, and will require all new hires and current employees to undergo diversity and inclusion training.
3. Uber will publicize its diversity representation to its entire workforce at least twice per year.

4. The company will work with an independent organizational psychology consultant to review various aspects of the engineering jobs in question to ensure that the job standards, qualifications, metrics, promotion criteria, and compensation are validated to ensure objectivity.
5. Uber agrees to revamp its performance evaluation process (including promotions and compensation) to ensure that bias is eliminated from consideration, specifically monitoring the statistics as they relate to members of the class involved.
6. The company will develop and maintain revised policies on a number of fronts to ensure better inclusion, including:
 1. Maternity, paternity, and parental leave;
 2. Accommodation for breastfeeding;
 3. Lactation rooms;
 4. Flexible work hours; and
 5. Process for requesting a reduced schedule (with reduced pay).
7. Uber will offer a mentor for every class member to help them succeed within the organization.
8. All engineering new hires will receive a check-in after three months of work to address any competency gaps and provide an assessment.
9. The company will continue to monitor progress toward its diversity objectives, including the slate of recommendations developed by former U.S. Attorney General Eric Holder.
10. All of these changes in business practices are locked in and will remain binding for a three-year period.

Given Uber's dominance over the gig economy, it stands to reason that gig workers bringing claims against other businesses will look to these terms as a template for the kinds of diversity and inclusion objectives they would like to reach in similar settlement agreements. You could be looking at the model for a 21st-century arrangement between gig company and employees when it comes to these important aims.

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