U.S. Department of the Treasury v. Harris Trust and Savings Bank, U.S. Department of Labor Administrative Proceeding, Case No. 78-OFCCP-2 (Burrow, ALJ), 1979.

This was a very well known case, even though it was tried before an Administrative Law Judge (ALJ). For reasons we have never known, even though LRA was successful in front of the ALJ, we were not invited to participate in the further proceedings in U. S. District court. That hardly matters, as the responsibility of our successor experts was to support our analysis, which they did successfully.

Harris Trust was the first time the federal government applied the "government contractor" provisions of the Executive Order requiring government contractors to have fair labor practices, to banks. It was also the first time the Office of Federal Contract Compliance Programs took seriously their need to prove discrimination, using statistics. In addition, it became well known because the bank's expert, Harry Roberts, a professor at Northwestern University, was recognized and admired within the statistics profession.

Roberts at first tried standard regression analysis, based on cohorts by employment date, but was unable to find any that supported his client. Undeterred, he cleverly found a way to turn regression analysis around, predicting characteristics of people on a job, rather than using those characteristics to predict their salaries. Any "straight" regression Roberts or LRA performed predicted a lower salary if the employee was a woman. That finding was institutionally correct. Females would be called "tellers" but did the same tasks as "management trainees," who then became managers. Even as trainees the men received higher pay, and then, over time, the gap widened. Because equivalent men and women were given different titles, but did the same tasks, the regression findings were hardly ferreting out unknown relationships. When reverse regression denied those relationships, we knew it was a worthless statistical method.

Indeed, no one uses Roberts' reverse regression today. But the bank's well-respected professor-expert propounded it. Could it be wrong? The point here is that OFCCP required a level of expertise beyond the usual ability to handle data, develop a statistical model, estimate it, and present results to a judge. With LRA, they had that expertise, and prevailed.