



Government
Equalities Office

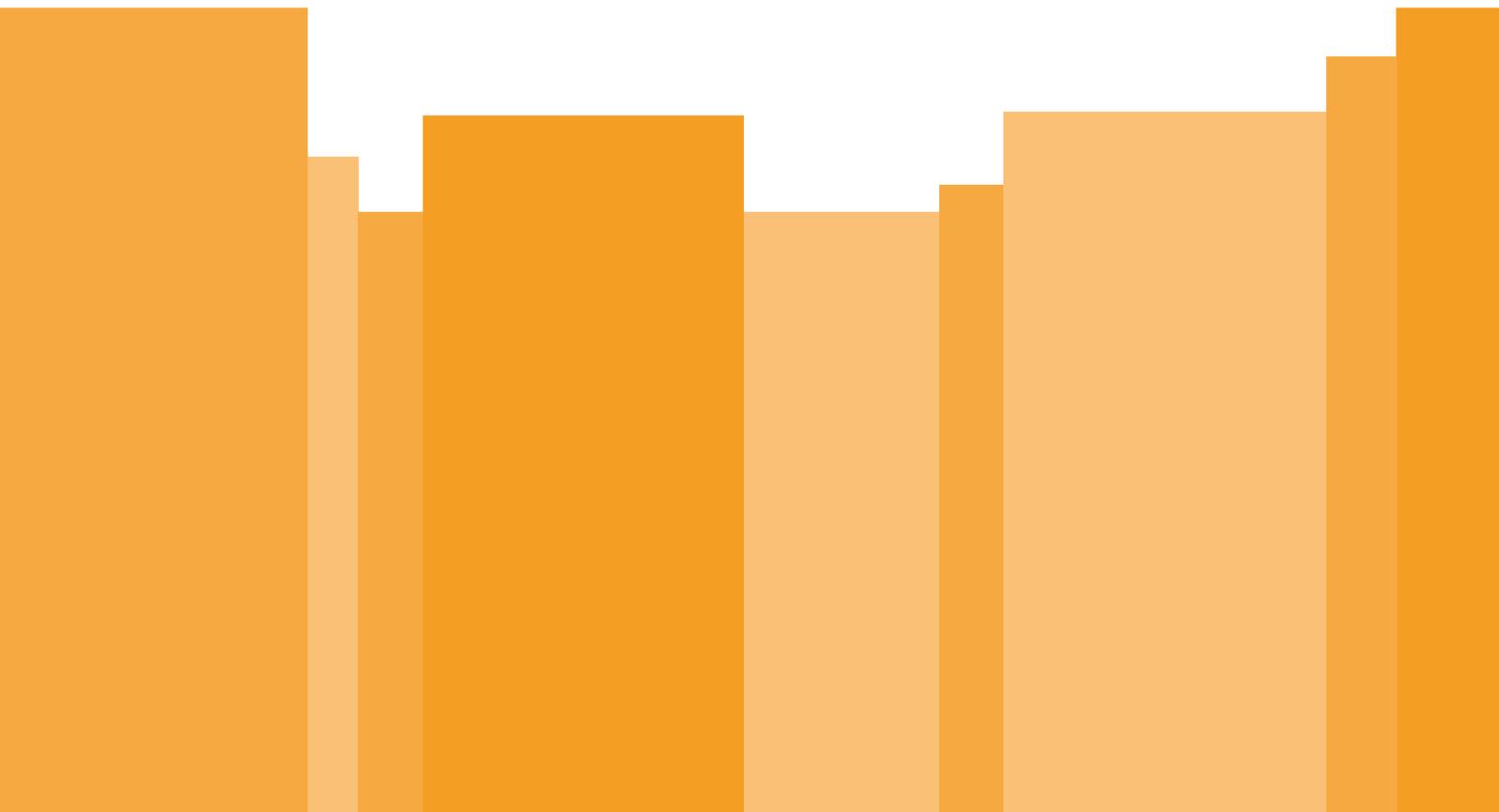
CIPD

*Championing better
work and working lives*

GENDER PAY GAP

Closing it together

Actions for employers





“ Gender pay gap reporting is an incredibly important step forward, because if companies are transparent about gender pay and the root causes behind any gap, they can find the solutions they need to build businesses that work for their employees and reflect the communities they serve. ”

Helen Rose, Chief Operating Officer, TSB

“ Executives must understand that their companies can't be successful on a global platform if they don't have a diverse and inclusive workforce. Being diverse means you have the benefit of an increased talent pool to recruit from. If you have a narrow recruitment focus, you may miss out on some of the best talent available. ”

Sheila Flavell, Chief Operating Officer, FDM

“ At Sodexo we believe achieving gender balance is not only the right thing to do, it also enables people and our business to perform better. This belief is supported by global internal research which found our own gender-balanced management teams outperform those that are not across a number of key performance indicators. ”

Andy Rogers, Sodexo UK & Ireland HR Director



Closing the gender pay gap together

Closing the gender pay gap is not only the right thing to do, it's good for business.

Research shows that a more diverse and inclusive workforce helps business by bringing new skills, creativity and innovation, sounder decision-making and higher staff satisfaction and retention. McKinsey estimate that closing gender gaps in work could add £150 billion to the UK GDP by 2025.

In the UK today, women earn on average 18% less than men. The gender pay gap exists because women tend to work in lower-paid occupations and sectors, and occupy less senior roles. Many women take time out of the labour market and work part-time because of unequal sharing of care responsibilities. Stereotypes and workplace culture are also factors.

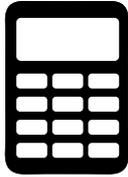
The gender pay gap should not be confused with unequal pay. Unequal pay is the unlawful practice of paying men and women differently for performing the same or similar work or work of equal value; whereas the gender pay gap is a measure of the difference between the average hourly earnings of men and women.

All employers with 250 or more employees are now required by law to publish their gender pay gap each year on their own and the Government's website.

Most employers will have a gap in the first year. The key next step is to take action to address it. You can see examples of the action other employers are taking by clicking on the link to the right of their gender pay gap information on the government viewing service at <https://gender-pay-gap.service.gov.uk/Viewing/search-results>.

This action toolkit will help you to understand and address your gap. Use our list of actions to develop a plan to help close your gender pay gap. Consider setting yourself three priority actions and have your senior leadership commit to these and monitor your progress to keep up with your peers.

Your 'To Do' list



1. Calculate and publish your gender pay gap information, as required by law.

- Look at Acas-GEO guidance on how to report your gap at [acas.org.uk/genderpay](https://www.acas.org.uk/genderpay) or the CIPD guide on <https://www.cipd.co.uk/knowledge/fundamentals/relations/gender-pay-gap-reporting/guide>.
- Publish it at www.gov.uk/report-gender-pay-gap-data before the deadline: **30th March 2018** for public sector and **4th April 2018** for private and voluntary sectors.
- Link to the narrative on your own website; include the reasons behind your gap and how you plan to address it.



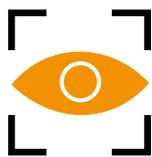
2. Analyse your data to learn where you can achieve the biggest improvement.

- Which grade or level has the biggest gender pay gap? Do you have a bonus gap?
- Gender composition and retention at different levels and in different occupations influence your gap. Look at recruitment, promotion rates, and composition of boards and executive committees. Look at who works flexibly or takes time out to care for children.



3. Commit to an action plan.

- Pick three actions from our list over the following pages.
- Make a plan of how you will achieve them.



4. Monitor your progress.

- Assign the responsibility for monitoring progress to a member of the senior leadership team who will report on progress quarterly.
- Make reducing your gender pay gap a priority for your CEO/executive committee.

Gender Pay Gap Action List

Pick three priority actions

Recruitment: are you recruiting a diverse mix of candidates?

- Attract more candidates by ensuring your jobs adverts have **gender-neutral language** and are **advertised as flexible by default**.
- If you have a gender imbalance in particular roles, look to **recruit through a variety of channels and consider non-traditional sources**. Actively encourage people from all groups to apply.
- Are your recruitment decisions influenced by bias? Remove bias from your processes by introducing a **structured scoring system and skill-based tests**. Require hiring managers to **justify hiring and salary decisions**.

“ Our gender pay gap is caused by having fewer women in senior grades and highly paid technical roles, so we are working on improving this through a focus on the talent pipeline. In 2016, we launched our Active Inclusion programme sponsored by our senior leaders. This included offering flexibility for most of our vacancies and launching a comprehensive education programme to embed inclusion within the organisation. We re-vamped our job advertisements to use gender-neutral language, our recruitment suppliers signed a D&I charter to ensure we are provided with diverse candidates, we trained our recruitment teams on how to make the jobs we post more accessible, and developed hiring manager training and a “concierge” service for female applicants. ”

Frances Duffy, HR Director, Capgemini UK

Women make up only 1 in 8 of those in engineering occupations and less than 1 in 10 of those in an engineering role within an engineering company.

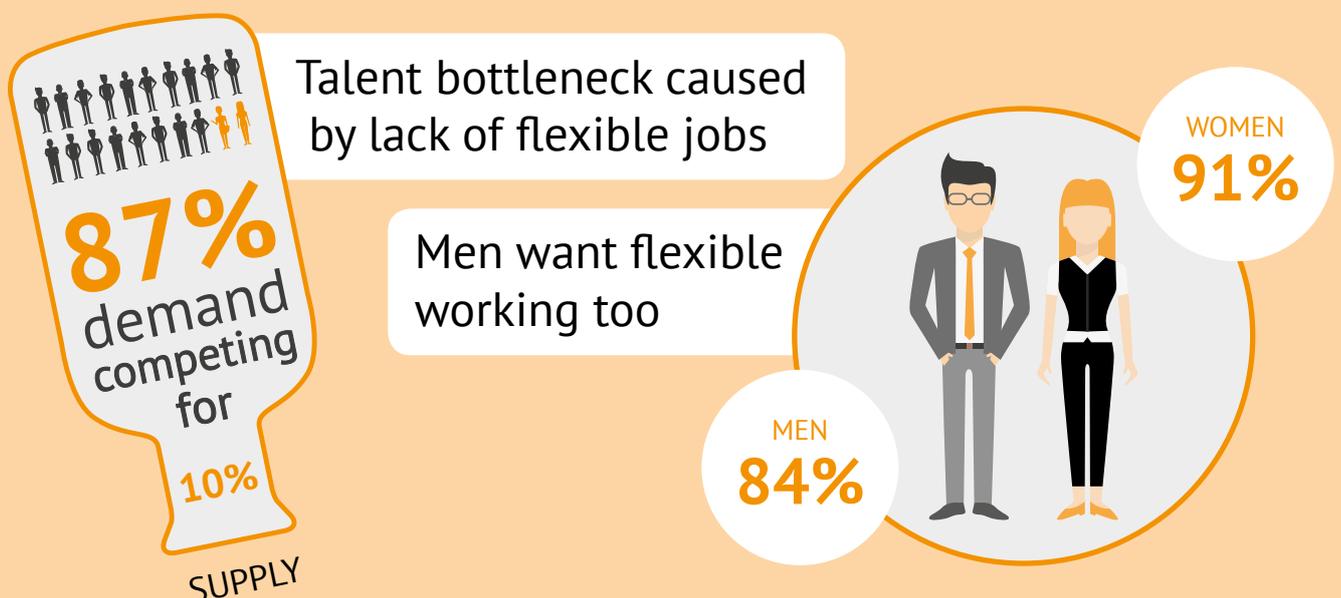


Flexible working: are all your staff able to work flexibly and does your culture support them to do so?

- **Design every job as flexible** by default and think creatively about how work is organised. Examples of flexible working include working from home, flexitime, compressed hours, job-sharing, and part-time or term-time working.
- Make flexible working a reality for all employees by **advertising all jobs as flexible from day 1**, unless there are solid business reasons not to.
- **Examine and remove barriers to flexible working** in your organisation and have senior leaders and managers act as role models by working flexibly themselves. **Pay for work, not face time.**

“ Barclays is addressing the challenge of work–life balance and driving positive employee engagement through our Dynamic Working campaign. Today 59% of our colleagues identify as working dynamically and report having higher engagement scores than colleagues who are yet to embrace the concept. Through a multi-year approach we are working to ensure all colleagues see Dynamic Working as something “for me” and not just for women with young children. ”

Mark McLane, Global Head of Diversity and Inclusion, Barclays



Parental leave and returners: are you supporting your staff with caring responsibilities?

- Do you already offer enhanced maternity pay on top of statutory pay? Consider offering **enhanced pay for shared parental leave** and paternity leave as well.
- To **encourage take-up of shared parental leave**, share the policy and simple guidance with your staff and showcase employees who use it.
- Maintain **regular contact** with your staff on parental leave or career breaks; promote the use of 'keep in touch' days.
- **Recruit returners** by putting in place returner programmes with ongoing support and by offering meaningful work at all levels, including well-paid senior roles.

“ Shell enhanced its Shared Parental Leave (SPL) in 2015, equalising the provision with its enhanced maternity policy. This decision took into consideration external benchmarking of the current maternity policy and our strategic business driver of creating equity for our people. Employees at Shell have begun to tell their stories about taking SPL, highlighting the benefits, personally and professionally. Shell are actively encouraging those interested in taking SPL not to let their reservations about time out of the office limit their family choices but access the opportunity. ”

Jonathan Kohn, VP HR UK, Ireland, Nordics and South Africa, Shell

There are currently two million people in the UK who are not working because they are looking after children or the home.

89% are women.

2 million
people not
working

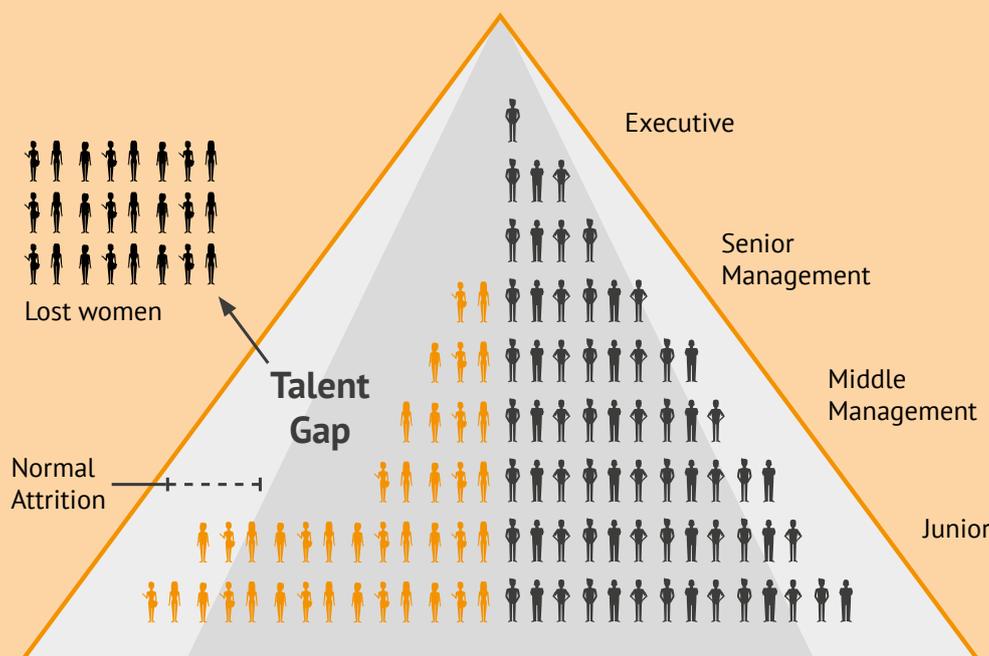


Pay, reward and promotion: are you confident your staff are being remunerated fairly? Are women being promoted to senior management positions?

- Do you have a pay or bonus pay gap? You could improve your pay and reward structures by ensuring they are **underpinned by job evaluation** and that **negotiated individual levels of pay are contained within pay grades**.
- Do managers have discretion over pay and reward? **Introduce annual equal pay audits** to check for gender bias and consider restricting discretion where this occurs. Require managers to justify their decisions over pay and reward to HR.
- Inform each manager they will have to show they offered roles and **development opportunities to all staff** with similar performance.
- **Review your distribution of performance ratings** between men and women.
- Introduce **sponsorship** schemes to encourage career development, including for lower-paid groups.

“ At PwC we are confident that men and women are paid equally for doing equivalent jobs across our business. We continue to take action to make sure our policies and practices are fair. In addition to our pay and bonus policies, this includes actively reviewing decisions around our annual performance, pay and bonus round, pay for new hires, and any other adjustments made during the year. ”

Laura Hinton, Head of People, PwC



Further Resources

Government Equalities Office, Gender Pay Gap Campaign Page

<https://genderpaygap.campaign.gov.uk>

Government Equalities Office Blog

<https://equalities.blog.gov.uk>

Women's Business Council Toolkits

<https://www.womensbusinesscouncil.co.uk>

CMI, Blueprint for Balance Toolkit

<http://www.managers.org.uk/cmi-women/blueprint-for-balance>

BITC, Gender Equality Resources

<https://gender.bitc.org.uk>

CBI, Gender Pay Reporting

<http://www.cbi.org.uk/insight-and-analysis/gender-pay-gap-reporting-guide>

WISE, Women in STEM resources

<https://www.wisecampaign.org.uk>

STEM ambassadors

<https://www.stem.org.uk/stem-ambassadors/ambassadors>

GOV.UK, Flexible working

<https://www.gov.uk/flexible-working>

ACAS, Shared Parental Leave and Pay guidance

<http://www.acas.org.uk/index.aspx?articleid=4911>

GOV.UK, Childcare Choices

<https://www.childcarechoices.gov.uk>







Government Equalities Office

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www.gov.uk/genderpaygap

 @WomenEqualities

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